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No. 4, April 1981

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No. 4, April 1981

Translation of the Russian-language monthly journal SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA published in Moscow by the Institute of U.S. and Canadian Studies, USSR Academy of Sciences.

CONTENTS

Program for Strengthening Peace.....	1
Charter for World Peace* (Gus Hall).....	9
Moscow's Peaceful Initiatives (Yu. S. Levchenko).....	10
Deepening Crisis of State-Monopoly Regulation of the U.S. Economy (Yu. I. Bobrakov).....	14
Hegemonism: Political Category and Practice (A. M. Belov, V. F. Petrov).....	26
Changes in Canadian Government Economic Policy* (L. A. Nemova, V. V. Popov).....	38
Religion, Politics and the 1980 Elections* (D. Ye. Furman).....	39
The New Administration and the "Mexican Factor" (P. G. Litavrin).....	40
Collapse of the Program of Arms Sales "Restraint" (A. I. Utkin).....	47
Two Conferences of Students of American Literature* (O. A. Alyakrinskiy).....	52

* Not translated by JPRS.

The Dialogue Must Continue*	53
The Arms Limitation Debates (V. S. Guseva)	54
Energy from Biomass* (I. G. Vasil'yeva, G. M. Pontryagin)	58
Canada: Some Problems of Grain Production and Exports* (Ye. A. Shevlyagina)	59
Book Reviews	
Political History of Nuclear Energy*, by V. F. Davydov	60
Comprehensive Study of U.S. Government*, by Yu. A. Shvedkov	60
Peace and Disarmament Research, by M. A. Mil'shteyn	60
Security in the Nuclear Age and U.S. Policy, by R. G. Bogdanov and A. A. Kokoshin	61
Europe Must Choose Between Confrontation and Detente, by A. A. Arzumanov	63
American History and Today's Historians*, by B. I. Marushkin	64
Henry Winston (A Tribute on His Seventieth Birthday)* (N. V. Mostovets)	65
Conservative-Oriented "Brain Trusts"* (I. Ya. Kobrinskaya)	66
United States Capital Exports to Developing Countries: Direct Investments* (R. I. Zimenkov)	67
Chronicle of Soviet-American Relations*	68

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PROGRAM FOR STRENGTHENING PEACE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 3-10

[Article: "Program for Stronger Detente and Struggle To Stop the Arms Race"; passages enclosed in slantlines printed in boldface]

[Text] "We intend to concentrate all of our efforts in two inter-related areas. One of them is communist construction and the other is the consolidation of peace"--from Comrade L. I. Brezhnev's speech at the 26th CPSU Congress.

"All the proceedings of our congress," General Secretary L. I. Brezhnev of the CPSU Central Committee announced when he spoke at the end of the 26th CPSU Congress, "and all of the documents adopted by the congress demonstrate once again that our chief concern in the world arena and the chief foreign policy goal of our state has been and is the preservation of peace."

"Our foreign policy program is a program aimed at the continuation and reinforcement of detente, a program of struggle to stop the arms race."¹

In international relations, the supreme forums of the Soviet communists are rightfully considered to be large and important milestones. They invariably arouse great interest in the international community of state and the world public. The congresses of the Soviet communists put forth new constructive programs which never fail to impress people of goodwill with their noble and lofty goals, their subordination of CPSU plans and actions to the establishment of the necessary conditions for the constant improvement of the Soviet people's material and spiritual well-being and their sincere desire to preserve and consolidate peace and the security of people. At the 26th CPSU Congress as well, the accountability report of the CPSU Central Committee, speeches by delegates and the documents and decisions of this forum contained a thorough Marxist-Leninist analysis of the present state of international relations and put forth comprehensive proposals aimed at strengthening peace, reinforcing detente and stopping the arms race. They represent an organic continuation and development of the Program of Peace, declared by the 24th and 25th party congresses, with a view to today's most urgent and pressing international issues.

Consistently defending the just cause of peace and the security of states and the interests of laboring people in all countries and on all continents, the Soviet

communists at the 26th congress reaffirmed the party's constant policy of strengthening and developing the world socialist system, developing relations and expanding cooperation with countries liberated from colonial oppression, promoting the unity of the communist and workers movement and the growth of its influence with the masses, struggling for the implementation of Lenin's policy of peaceful coexistence and mutually beneficial cooperation by states with differing social structures and firmly rebuffing aggressive imperialist intrigues. The focal point of party and state foreign policy activity has always been struggle to diminish the threat of war and stop the arms race.

"Our struggle to strengthen peace and reinforce international detente," L. I. Brezhnev said in the Accountability Report of the CPSU Central Committee to the congress, "is primarily a struggle to provide the Soviet people with the necessary external conditions for the completion of the construction work facing them. By this means, we are also solving a problem of a truly worldwide nature because there is no matter more urgent or more important to anyone now than the preservation of peace and the guarantee of each individual's primary right--the right to live."²

In our day, now that the atmosphere of the entire planet has been considerably complicated, now that detente, which had such a beneficial effect on the international climate in the 1970's, is being subjected to severe tests, and now that the arms race spiral has approached another, sharply escalated round, each individual, all governments and all people who recognize the enormity of the threat hanging over the world must make a much greater effort than ever before and take the most active part in the struggle to preserve and consolidate peace. In the belief that today's atmosphere necessitates the mobilization of all forces for successful inclusion in this struggle and that people must know the truth about the destructive consequences of a nuclear war, the 26th congress proposed the creation of an /authoritative international committee, made up of prominent scientists from various countries, to prove the vital necessity of the prevention of a nuclear catastrophe and to inform the entire world of its conclusions./

Under present conditions, the most reliable and effective way of attaining lasting peace consists in the limitation and reversal of the arms race and reliably controlled universal and total disarmament. "This objective is now particularly significant and urgent," the 26th CPSU Congress declared. "Rapid and profound changes are taking place in the development of military equipment. Qualitatively new types of weapons are being developed, particularly weapons of mass destruction. These weapons are such that it would be extremely difficult or even impossible to control them and, consequently, to agree on their limitation. This new stage of the arms race will undermine international stability and compound the danger of war."³

A world without war and weapons, with their absence guaranteed by universal and total disarmament, is the ideal for which mankind has been striving, is striving and will continue to strive. "Disarmament," V. I. Lenin wrote, "is socialism's ideal."⁴ The Soviet State's entire history confirms the invariability of its foreign policy line of struggle for peace and disarmament, beginning with the first Decree on Peace and the first group of proposals regarding disarmament, at the dawn of socialism, right up to the comprehensive Program of Peace of the 1970's. Since the end of World War II, the Soviet Union has submitted more than 100 different arms limitation and disarmament proposals to the world community of

states. Some of them lie at the basis of several international bilateral and multilateral agreements that are already in effect and are exerting their positive influence on the search for further steps toward disarmament. Other Soviet initiatives are being discussed in various international forums or are awaiting discussion. "There is probably no other state," L. I. Brezhnev said at the 26th CPSU Congress, "that has presented mankind with such a broad spectrum of concrete and realistic initiatives regarding major international issues as the Soviet Union has done in recent years."⁵ Many of the important initiatives set forth by the USSR and its allies in just the last 5 years have been ratified in UN resolutions, including resolutions passed at the Special Session of the General Assembly on Disarmament.

Detente and disarmament will bring advantages and benefits to more than just the USSR and the socialist states. Disarmament can bring tangible advantages and benefits to the young developing states, which are still dealing with daily pressing problems connected with food, housing, work, public health and education. When the people of these countries are drawn into the arms race, they have to shoulder the burden of excessive military spending. Disarmament would give the laboring public in the developed capitalist states, where the continuous arms race has already led to a noticeable drop in the standard of living and could bring about the further growth of unemployment, inflation and new crisis phenomena, an unprecedented opportunity to use the resources made available by disarmament for the resolution of pressing economic and social problems. The facts and figures in congress documents conclusively prove that these problems are becoming more serious and the general crisis of capitalism is becoming more acute.

Speakers at the congress noted that the difficulties capitalism is experiencing are affecting its domestic and foreign policy, are causing the opponents of detente, arms limitation and the improvement of relations with the socialist countries to become more active and are compelling the most aggressive circles in the imperialist states to embark on dangerous adventures in international affairs. Still thinking in terms of domination and coercion in relations with other states and peoples, and still striving to secure the greedy interests of monopolies, congress documents stressed, imperialist circles have embarked on an unprecedented increase in expenditures on the improvement of weapons, are striving to expand the functions of the NATO bloc and to build up their military presence in several parts of the world and are elaborating new, peace-endangering doctrines, like the strategy of "limited" nuclear war announced in Carter's notorious directive. Justifying such actions by spreading lies about the "Soviet threat" to their "vitally important interests" in various parts of the world, these reactionary forces are escalating the arms race with the intent of undermining the existing military-strategic balance between the USSR and the United States, between the Warsaw Pact and NATO.

In connection with this, the 26th congress firmly declared: "The present military-strategic balance between the USSR and the United States, between the Warsaw Pact and NATO, is objectively serving to keep the peace on our planet. We have never striven and are not striving for military superiority to the other side. This is not our policy. But we will not allow the establishment of this kind of superiority to us either. Any such attempts and any dialogue with us from a position of strength are absolutely futile!

"The renunciation of all attempts to undermine the existing balance and to begin a new, even more costly and dangerous stage of the arms race would be a sign of true governmental wisdom. To this end, the time to kick the decrepit old scarecrow of the 'Soviet threat' out of the arena of serious politics arrived long ago."⁶

The policy of aggressive imperialist circles, which has already brought about a considerable increase in international tension with all of the ensuing negative consequences, was countered at the 26th congress with a group of new proposals of ways to strengthen peace, reinforce detente and curb the arms race because the present state of world affairs will require new, additional effort to eliminate the danger of war and strengthen international security.

In the belief that it is extremely important to prevent the birth of sources of military conflict, which is already being accomplished fairly adequately in Europe by the military security measures instituted in accordance with the decisions of the all-Europe conference, the congress proposed the considerable expansion of their zones of application: /They will be extended to the entire European half of the USSR on the condition that the Western states also extend the zones of the security measures./

The planning and implementation of these measures during the course of negotiations with all concerned countries and with a view to the distinctive features of the region could make a useful contribution to the reinforcement of the bases of world peace and, of course, to the improvement of the atmosphere in the Far East, where the USSR, China and Japan are neighbors and where American military bases are located. /"The Soviet Union would be willing to conduct negotiations on security measures in the Far East with all interested countries,"/ the congress announced. The USSR put forth this proposal in the belief that these measures will promote progress in the area of disarmament.

The goals of a better international climate and detente on the regional and global scales are also being served by the position stated at the 26th CPSU Congress, in accordance with which the USSR is willing to negotiate the Persian Gulf question as a separate issue. It is also willing to take part in the separate settlement of the conflict over Afghanistan. At the same time, it /will not object if questions connected with Afghanistan are discussed at the same time as questions of Persian Gulf security, but naturally solely on the condition that the discussion will pertain only to the international aspects of the Afghan problem, and not to internal Afghan affairs./

The Soviet Union has made another urgent appeal for restraint in the area of strategic weapons. "The limitation of strategic weapons and their reduction constitute a matter of extraordinary importance," L. I. Brezhnev announced from the rostrum of the 26th CPSU Congress. /"We are prepared to immediately continue the talks with the United States, with the retention of all the positive accomplishments to date in this area./ Of course, the talks can only be conducted on the basis of equality and equivalent security. We will not consent to any agreement that would give the United States unilateral benefits. There must be no illusions here. In our opinion, all other nuclear powers should join these talks at the proper time."⁷

The congress reaffirmed the USSR's willingness to negotiate the limitation of any type of weapon. Putting forth a new initiative in this area, the supreme forum of the Soviet communists announced /the willingness to reach an agreement to limit the deployment of the new submarines like the "Ohio" in the United States and similar vessels in the USSR and to consent to a ban on the modernization of the ballistic missiles presently deployed on these vessels and the development of new ones./

The dangerous accumulation of nuclear missiles in Europe was noted. To break the vicious circle in which the actions of one side will be followed by countermeasures by the other, the Soviet Union proposed /a moratorium on the deployment of new medium-range nuclear missiles on this continent by the NATO countries and the USSR; in other words, the quantitative and qualitative stabilization of the present level of such weapons, including American forward-based nuclear weapons in this region./ In accordance with this proposal, the moratorium could go into effect immediately after the beginning of talks on this matter and could stay in effect until such time as a permanent treaty on the limitation--or, better yet, the reduction--of these nuclear weapons in Europe is signed. This proposal also envisages the curtailment of all preparations by both sides for the deployment of any additional weapons, including the American Pershing-2 missiles and the land-based strategic cruise missiles.

Acknowledging the existence of many other urgent international problems in today's world and realizing that their just and reasonable resolution would help to improve the political climate, the 26th CPSU Congress called upon all interested parties to display a farsighted approach, political determination and courage, authority and influence. All available forms, means and methods of a bilateral or multilateral nature should be utilized for this purpose.

Taking into account, for example, the universally recognized fact that the international atmosphere depends largely on the policies of the USSR and the United States, the state of the relations between these countries and the urgency of international issues requiring resolution, the congress noted the need for Soviet-American dialogue on all levels.

"We are ready for this kind of dialogue," L. I. Brezhnev said.

"Experience has shown that the deciding factor is the summit-level meeting. This was true yesterday and it is still true today.

"The USSR wants normal relations with the United States. From the standpoint of the interests of people in both countries and of mankind in general, we simply have no reasonable alternative."⁸

In reference to the use of multilateral forums for this purpose, the 26th CPSU Congress expressed the opinion that it would be /useful to convene a special meeting of the Security Council, attended by top-level officials representing all council members, to find the key to the improvement of the international atmosphere and the prevention of war. Obviously, heads of other states who wish to attend this meeting could do so./

The new steps toward stronger detente and disarmament, proposed by the 26th CPSU Congress, cover a broad spectrum of political and military matters. All of them have a common purpose and a single aim--to deliver people from the threat of nuclear war and to keep the peace on earth. /"The guideline for tomorrow is not preparation for war, which will condemn people to the senseless waste of their material and spiritual wealth, but the consolidation of peace,"⁹ the 26th CPSU Congress declared.

In spite of the fact that detente and disarmament are obviously imperative and in spite of the many concrete proposals, made primarily by the USSR and other socialist countries, aimed at the conclusion of mutually acceptable agreements, the results of several decades of work in this area are, although their importance is indisputable, nonetheless fairly modest. The blame for the absence of continued progress, particularly in recent years, in the curtailment of the arms race and the reduction of arms must be borne by the governments which, on various pretexts, are still refusing to conclude ongoing talks, such as the talks on the total and universal nuclear test ban and on the prohibition of chemical weapons, or have refused to engage in businesslike discussion, as was the case, for instance, in the matter of the proposed reduction of the development and production of nuclear weapons and their gradual elimination.

It is indicative that the Western countries, with the United States in the lead, have generally failed to respond to Soviet proposals with counterproposals of their own. The counterproposals they have made have been unconstructive because they have been made with a view to unilateral advantages for the West and therefore could not constitute a basis for reasonable compromise.

One of the chief "arguments" the Western countries generally use to justify the continuation of the arms race and their refusal to agree to the disarmament measures proposed by the USSR is the myth of the "Soviet threat." They made references to this absurd and farfetched thesis instead of seating themselves at the negotiation table, seriously discussing the matter, establishing the facts, putting an end to misunderstandings, considering the issue of disarmament and ridding themselves of their obsession with this "threat." Although they call some Soviet proposals in this area "unrealistic," they do not make any "realistic" proposals themselves.

On numerous occasions the Soviet Union has expressed its willingness to discuss any constructive disarmament proposals which take the interests of all sides into account and will not violate the principle of equality and equivalent security. To date, however, there has been no businesslike response to this appeal, to this willingness. In most cases the West has merely "criticized" Soviet proposals without suggesting any compromise decisions, although these constitute the basis of intergovernmental agreements in customary international practice.

Today the spectrum of Soviet proposals is so broad that it encompasses virtually all major areas of arms limitation and disarmament, types and systems of weapons and various measures on the bilateral, multilateral, regional and global levels. What is more, many of the initiatives of the USSR and other socialist countries have been modified repeatedly, both in their general content and in their details, with consideration for the reaction of the Western partners to earlier proposals.

This is attested to by several of the proposals put forth by the 26th Congress, such as those regarding a broader zone of application for security measures in Europe, the regulation of the seat of tension in the Persian Gulf zone, SALT and so forth.

But the tireless efforts of the Soviet Union and other members of the socialist community to urge the Western partners to take a serious approach to businesslike talks for the determination of specific ways of effecting real disarmament are constantly opposed by the United States and its allies. It is these states that are escalating the arms race, increasing military appropriations to a record level and equipping their armed forces with new types and systems of weapons, thereby complicating the very commencement and proceedings of talks on the limitation and reduction of weapons.

The cause of detente and disarmament is not in any way furthered by the "linking" tactic that is so often employed by the Western partners, especially the United States, or by their practice of setting various preliminary conditions, which frequently become the focus of attention in the bourgeois mass media, pushing the core of the problem and its specific solutions out of sight. Another fairly widespread practice is the extensive discussion of the initiatives of the USSR and other socialist countries in the press and on radio and television for the disclosure of their "malicious intent" and "hidden real purpose."

To a certain degree, this also applies to the new peaceful proposals made at the 26th CPSU Congress. For example, these proposals are discussed in the 1 March 1981 issue of the WASHINGTON POST and are even called "something like a peaceful offensive" by Moscow, but they are primarily seen as a "smokescreen to slow down the buildup of American preparedness and cause dissension between the United States and its allies." The CHRISTIAN SCIENCE MONITOR evaluates the Soviet initiatives through the prism of Washington's maneuvers over El Salvador but simultaneously tries to reduce their positive international repercussions to a mere propaganda triumph. Although NEWSDAY regards the idea of Soviet-American summit meetings as a positive one "under certain circumstances," it immediately sets a number of preliminary conditions. This list of examples could be continued.

The issues of peace, detente and disarmament are so complex in themselves that they should not be compounded by artificial difficulties. Everyone knows how many years of intense effort it took for the first perceptible steps toward strategic arms limitation, including the drafting of the SALT I agreements and the SALT II treaty. Today the entire world knows whose fault it is that the SALT II treaty is not only not in effect, but also faces the danger of revision by the United States even after it has been signed. Everyone knows who has been impeding the successful completion of the trilateral talks on the prohibition of underground nuclear tests, who has prevented the businesslike discussion of a variety of questions turned over to the Disarmament Commission, and who has undermined the implementation of the final document of the Special Session of the UN General Assembly on Disarmament and dozens of resolutions passed at regular sessions. The world has witnessed the many years of work, as yet unfinished, in the important forum of the Vienna talks on the reduction of armed forces and arms in Central Europe, where the Western side has not given up the tactic of procrastination and is using it to delay the conclusion of an agreement that would help to improve the political climate and make a major

contribution to the cause of military detente on the most explosive continent. Everyone also knows who is creating artificial obstacles for the purpose of attaining unilateral advantages in the drafting of the resolution to convene the all-Europe conference, proposed by the USSR and its allies, to discuss and settle matters pertaining to military detente and disarmament in Europe. The world also knows, congress speakers noted, that the previous U.S. administration unilaterally cut off talks with the USSR on certain aspects of arms limitation and the elimination of sources of tension, such as the curtailment of arms shipments to third countries.

With its new initiatives in the struggle for detente and peace, the curtailment of the arms race and the development of productive cooperation by all states for the completion of the peaceful and constructive tasks facing each nation and all mankind, the 26th CPSU Congress demonstrated that "the Soviet people have the desire and the political will to do all this for the sake of peace--strong and lasting peace. We not only have the will to fight for peace, but we also have a precise, clear-cut program for this fight."¹⁰

FOOTNOTES

1. PRAVDA, 4 March 1981.
2. Ibid., 24 February 1981.
3. Ibid.
4. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Collected Works], vol 30, p 152.
5. PRAVDA, 24 February 1981.
6. Ibid.
7. Ibid.
8. Ibid.
9. Ibid.
10. Ibid., 4 March 1981.

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CHARTER FOR WORLD PEACE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 11-12

[Interview by editorial staff with Secretary General Gus Hall of the Communist Party, USA, head of the American Communist delegation at the 26th CPSU Congress]

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CSO: 1803/8

MOSCOW'S PEACEFUL INITIATIVES

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 13-15

[Exclusive report for this magazine by TASS Washington correspondent Yu. S. Levchenko: "American Reactions to the 26th CPSU Congress"]

[Text] Until the first day of the 26th congress, the "big press" in the United States said nothing about the preparations for this major event in the life of the Soviet people and did not mention the nationwide discussion in the Soviet Union of plans for the national economic development of the USSR in the coming decade. Broad insinuations about the imaginary "Soviet threat," however, were plentiful in newspapers and on radio and television, as were references to "U.S. military inferiority" and statements implying that the USSR was ready to encroach on the "vital interests" of the Americans.

It appears that the Republican Administration that took power in January is even more eager than the previous one to aggravate Soviet-American relations. At their first press conferences, President Reagan and Secretary of State Haig made statements which deliberately distorted Soviet foreign and domestic policy. All of this was obviously done to provoke a cutting response from the Soviet Union and to use the ensuing argument to bury the possibility of progress in such vitally important areas as the normalization of Soviet-American relations, the limitation of strategic weapons, and detente in general.

In spite of these "preventive measures," the Accountability Report of the CPSU Central Committee to the 26th CPSU Congress, presented by General Secretary of the CPSU Central Committee and Chairman of the USSR Supreme Soviet Presidium L. I. Brezhnev, reaffirmed the Soviet Union's unshakeable loyalty to the policy of international detente and its determination to wage a tireless struggle to diminish the threat of war and curb the arms race, and made a tremendous impression on people in Washington and throughout the United States. As White House Press Secretary J. Brady admitted, the administration "did not expect" such "conciliatory" initiatives from the Soviet Union. President Reagan called the Soviet initiatives "interesting." A few hours later, U.S. Secretary of State A. Haig said that the Soviet proposals were "very interesting." Conferences went on all evening in the White House to determine the official American reaction. On the next day, the White House press secretary unequivocally stated that Washington would strive to prolong the constructive dialogue with the USSR in every way possible. It was said that although the proposals were interesting and merited serious consideration, "we cannot exclude the possibility that they are a propaganda trick."

American propaganda, which had anticipated a new "polemical confrontation" between the USSR and the United States, was obviously also unsettled. The report by L. I. Brezhnev raised such important issues and put forth such vitally important and timely initiatives that, according to TIME magazine, "Brezhnev's initiative simply cannot be ignored."

The tone of the American press changed perceptibly. Leading newspapers printed a fairly detailed account of L. I. Brezhnev's report, and the NEW YORK TIMES published excerpts from it. The dean of television commentators, evening news anchorman Walter Cronkite, called the Soviet proposals a "new peaceful offensive" by the Soviet Union.

Virtually all serious observers noted the constructive nature, wisdom and responsibility of the Soviet leadership's position. "Instead of challenging Reagan and bragging about Soviet military strength, Brezhnev chose a highly diplomatic course, appealing for renewed effort to revive detente with the United States and proposing the resumption of strategic arms limitation talks," commented U.S. NEWS AND WORLD REPORT. "Brezhnev extended the olive branch to the West by proposing the revival of the ailing process of strategic arms limitation and even proposing a summit meeting with President Reagan," TIME magazine stressed.

Democratic circles in the United States and sober-minded public spokesmen and politicians responded to the new Soviet initiatives with unconcealed approval. They were called "extremely timely and helpful" by C. Yost, once an American diplomat and now a prominent journalist. He remarked that these proposals "contain a number of new and interesting ideas" meriting the most serious thought. He said that one of the Soviet Union's most important and timely initiatives was the announcement of the USSR's willingness to continue the dialogue with the United States on measures to strengthen trust between East and West and on ways of consolidating peace and diminishing the threat of nuclear war on all levels, including summit meetings.

George McGovern, former member of the Senate Foreign Relations Committee, supported the Soviet initiatives, noting that "the most important question today is whether the USSR and United States will be able to reach an agreement to prevent a nuclear catastrophe." In his opinion, the Reagan Administration must have a positive response to the Soviet proposals: "We cannot allow ourselves to constantly strive for confrontation with the Soviet Union," he said. "This is simply too dangerous."

"Leonid Brezhnev has made an extremely positive and important move," said David Cartwright, chairman of the National Committee for a Sane Nuclear Policy. "We hope that the Reagan Administration will stop provoking the Russians and give them a positive response."

The president of the American Association for Nuclear Arms Control, Dr H. Scoville, told the DAILY WORLD newspaper: "I am filled with optimism by the fact that President Brezhnev is still expressing his willingness to discuss matters thoroughly in spite of all the anti-Soviet rhetoric we have heard in recent days. Dialogue is better than an exchange of insults across the ocean. If we do not talk to one another, we will never make any progress in arms control. I hope that we do not reject the Soviet proposals."

The Coalition for a New Foreign and Military Policy, uniting more than 50 public organizations in the United States, sent President Reagan a letter, urging him to respond in the affirmative to the Soviet initiatives. The letter stressed that there is no more important objective in today's world than the preservation of peace and the prevention of nuclear conflict.

Senators L. Pressler, C. Pell and some other members of the U.S. Congress declared their approval of the Soviet initiatives in general, although with some reservations.

Unfortunately, these sober voices are still in the minority. The official tone in Washington is now set by reactionary and militaristic forces. Although President Reagan decided not to reject the Soviet proposals outright, many observers feel that he did not do this because he found them interesting, but because he was afraid that this move would turn the United States' allies in Western Europe against the administration, as these allies are striving to strengthen detente and are wary of the consequences of Washington's line of confrontation with the USSR. This view, which was expressed, in particular, by a CBS television commentator, is corroborated by the administration's actual behavior. Although Washington assured the Western Europeans that the United States would give the Soviet initiatives "careful consideration" and would consult with them thoroughly on the matter, it immediately gave anti-Soviet hysteria its due as well.

President Reagan attacked the USSR again when he was interviewed by Walter Cronkite. Secretary of Defense C. Weinberger, Secretary of the Navy J. Lehman, Chairman of the Joint Chiefs of Staff General D. Jones and other American civilian and military leaders made new appeals for a "tough" policy toward the USSR and the all-out buildup of the U.S. military machine. In the next fiscal year, the U.S. military establishment will be allocated an astronomical sum--226 billion dollars.

The first signs that the militaristic fever will not last forever have appeared, however. The American public is gradually realizing that it has been cruelly deceived once again, that the "brazen helmets" have used the "Soviet threat" scarecrow to enrich military contractors and monopolies and to launch a massive attack on the public standard of living. Americans are protesting the militaristic mentality and military preparations, as well as the increasing U.S. intervention in El Salvador. American aggressive policy has been protested, in particular, by Women Strike for Peace, the Mormon Church, widely renowned preacher Billy Graham and several Catholic organizations. The creation of a broad coalition, uniting more than 150 organizations for a struggle against the "guns or butter" policy, has been announced.

"Throughout the nation, from college campuses to churches, the outlines of a new peace movement are taking shape, engendered by Washington's increasing support of the Salvadorean junta and the administration's cuts in social programs," the ASSOCIATED PRESS reported on 5 March of this year. This is a remarkable admission: For the first time since the mass protests by the American public against the war in Vietnam, the U.S. press is discussing the birth of a broad peace movement in the nation.

Subsequent events will prove that the Soviet peaceful initiatives are farsighted and timely. The responses to the 26th congress have shown that even the most subtle propaganda cannot conceal the truth from the American people as to who is actually guilty of aggravating the relations between our two countries, who is pushing mankind back into the cold war era and who is standing guard over world peace.

8588

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DEEPENING CRISIS OF STATE-MONOPOLY REGULATION OF THE U.S. ECONOMY

MOSCOW SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 16-26

[Article by Yu. I. Bobrakov, final article in the series on the "State of the U.S. Economy at the Beginning of the 1980's"]

[Text] "It is completely apparent how little state regulation is helping the capitalist economy. By taking measures against inflation, the bourgeois governments are promoting production decline and the growth of unemployment; by attempting to restrict production decline, they are making inflation even stronger"--from the Accountability Report of the CPSU Central Committee to the 26th CPSU Congress.

The Ineffectiveness of Government Economic Policy

The continued growth of the economic difficulties which were present in the 1970's and have been left as a legacy to the 1980's has created the most acute problems for the United States and has severely tested the entire system of state-monopoly economic regulation. The decade of the 1960's has sunk into oblivion--the decade when the U.S. Government armed itself with the "new economic" doctrine, which was made up of Keynesian and neoclassical elements and was regarded by bourgeois economists as a reliable theoretical basis for economic regulation, as a kind of elixir that could guarantee steady and relatively high rates of "inflation-free" growth with "minimum" unemployment.

This faith in the effectiveness of purposeful state economic intervention, embodied in the "new economic" theory with its sermonizing about the extensive use of government budgetary, tax and credit leverage, was reinforced by the existence of the strong state mechanism of economic regulation that had taken shape by that time. It was expressed in concentrated form in L. Johnson's "farewell" economic report to the Congress (in January 1969), which stated that American capitalism, with the aid of the "new" economic strategy, could supposedly escape "cyclical conflagrations," recessions and inflation and could develop and flourish without crises. All of these expectations, however, were built on the shaky foundation of relatively favorable but temporary economic conditions which would, in the belief of the supporters of this doctrine and policymakers, continue to exist in the foreseeable future.

While the bourgeois ideologists were praising state-monopoly regulation as a foolproof way of guaranteeing the crisis-free development of the capitalist economy, Marxist scholars and the communist and workers parties maintained that this kind of regulation, no matter how developed its mechanism might be, could not guarantee the stability and "flourishing" of the capitalist system. They pointed out the fact that "state-monopoly regulation, which is accomplished in forms and on scales consistent with the interest of monopolistic capital and is intended to preserve its dominion, is incapable of harnessing spontaneous forces in the capitalist market."¹

Subsequent events fully corroborated the accuracy of the Marxist-Leninist analysis of the developmental trends and contradictions of the state-monopoly economy and proved that the promises of guaranteed crisis-free capitalist economic growth were groundless. This economy did not "flourish." The regulation of economic conditions by means of government budgetary, credit and financial policy, combined with the escalation of militarism and government defense orders, gave rise to new disparities and acute contradictions in capitalist production.

More pronounced cyclical changes and the slower growth of the economy, labor productivity and capital investments, accompanied by the dramatic intensification of inflation, the considerable expansion of unemployment and the increasing severity of the energy, raw material and currency crises—all of these phenomena were already quite apparent in the U.S. economy in the first half of the 1970's, pre-determining the development of this situation in the rest of the decade. Whereas in 1961-1969 the average annual growth rate of the gross national product was 4.3 percent and that of industrial production was 5.9 percent, the respective figures in 1971-1979 were only 3.2 percent and 3.9 percent; what is more, in the second half of the 1970's these indicators fell even lower—to 2.5 percent and 2.7 percent in 1974-1979. Calculated per capita, the average annual growth rate of the GNP fell from 2.4 percent to 1.9 percent in the 1970's. The international economic positions of the United States also grew weaker, its relative significance in the world capitalist economy declined, its share of world trade decreased and its position in the international currency sphere suffered great setbacks: Whereas in 1970 the United States held 15.5 percent of all gold currency reserves in the capitalist world, the figure was only 5.4 percent in 1979.

The contradictions of capitalist reproduction, which had accumulated for several decades after World War II, became particularly apparent in the economic crisis of 1973-1975 in the United States, which was the most severe crisis since 1929-1933. The mechanism of stagflation, which was the name given to severe inflation coupled with tendencies toward economic decline in the West, was already operating at the beginning of the 1970's. During the crisis of 1973-1975, stagflationary processes became particularly acute and intensive, facing the U.S. Government with the need for simultaneous struggle against inflation and crisis.

State-monopoly regulation turned out to be unprepared for this struggle. Attempts to use traditional methods of combating the crisis and equally traditional methods of combating inflation were unsuccessful from the start due to the contradictory effects they had on the economy. The old methods of anticrisis fiscal policy consisted in increased government spending and tax cuts to stimulate total demand. These goals were served by the credit and financial policy of the Federal Reserve

System, which was supposed to make credit available at a lower cost and increase the total amount of money in circulation (by reducing the prime interest rate, lowering the commercial bank required reserve figure and selling government securities on the open market). It is not surprising that this traditional recipe was totally ineffective under the conditions of simultaneous economic decline and pronounced inflation.

The crisis upheavals of the 1970's revealed a deep-seated internal contradiction of the entire system of state-monopoly regulation: its inability to withstand new and difficult problems with any degree of effectiveness. Both the theory and the practice of economic regulation were in a state of crisis themselves. In general terms, it is reflected in the increasing failure of the system of state-monopoly regulation to keep up with the objective needs of society's economic development. In the final analysis, this stems from the growing inconsistency of capitalist production relations with the nature of productive forces.

This phase of economic upheavals, which was entered by American and world capitalism in the 1970's, confused bourgeois economists and caused them to doubt the government's ability to influence the economy effectively and overcome dramatic destabilizing processes. Prominent English economist Joan Robinson remarked that the world economic crisis of the mid-1970's was "an event of extraordinary significance.... It marked the end of an era in which the constant growth of the industrial economy was something taken for granted.... It was believed that a new era had arrived, in which government policy could serve as a reliable means of controlling economic activity.... As a result, all of the old rules of the game were refuted."²

The entire state of the economy in the 1970's was a nutritive medium for the birth of pessimistic feelings in bourgeois economists and social scientists in regard to American capitalism's ability to keep its economic and political positions in the world. "The next few decades," prominent American sociologist D. Bell wrote, "might, for political and economic reasons, be the time when the United States loses its position as the center of world power."³

The crisis of the theory and practice of regulation was reflected in increasing criticism of government institutions for their inability to cope with the economic situation, their inefficient squandering of financial resources, their extravagance and their bureaucratism; in connection with this, it became popular to demand that state finances be "put in order," that the swollen and unwieldy civil service be reduced and so forth. This kind of criticism of the administration became a requisite element of the campaign platform of both bourgeois parties in the 1970's. Economic problems and government economic policy turned into a major battlefield for presidential candidates and constituted one of the main factors, if not the deciding one, contributing to the defeat of presidents running for reelection. The complex post-crisis state of the U.S. economy in 1976 and the Republic Administration's lack of a precise program of action in this sphere essentially predetermined the defeat of G. Ford and the victory of J. Carter, who had predicted during his campaign that the nation would live through "even harder times" if the voters did not put an end to the "Republicans' poor management of the economy."

At that time, during the 1976 campaign, Carter stressed that if he were to win the election he would concern himself with the "internal health of the nation" and take steps to reduce unemployment considerably and stimulate economic growth. He promised to take "decisive" action against inflation, reduce the annual rate of inflation to 4 percent by 1981, gradually reduce the federal budget deficit and balance the budget by 1981. As we know, not one of these promises was kept. The program of "economic recovery," which was set forth in the January 1977 message to Congress and envisaged "new stimuli," the considerable reduction of unemployment and the prevention of a new inflationary spiral, began to prove ineffective in the first few months (despite some cyclical improvement in economic conditions) and, by fall 1977, it was obvious that the Carter Administration's goals would remain on paper. Assessing the economic results of the partial first year of Carter's term in office, BUSINESS WEEK remarked: "The President who promised the nation that he would make government policy so stable and predictable that it 'could be relied upon' is now hearing his policy described as unstable and unpredictable."⁴

The new increase in inflationary pressure forced the administration to "shelve" its original plan to stimulate the economy and concentrate on the fight against inflation--the nation's "deadly internal enemy." This fight turned out to be unsuccessful and ultimately discredited the economic policy of Carter's cabinet throughout the nation. All of his "anti-inflationary" programs were completely groundless and were not only incapable of stopping the rapid inflationary rise of the prices of food, industrial commodities and services, but were even unable to slow down this rise. During Carter's term in office (1977-1980), consumer goods prices rose a total of 41.4 percent. What is more, in the last year of his term, the rate of increase in the nation was two or three times as high as in 1976, when Carter criticized his Republican rival for allowing prices to rise at a rate three times as high as during the terms of Presidents Kennedy and Johnson.⁵

Economic growth rates have been low in recent years. The index of industrial production, for example, rose only 5.1 percent between 1977 and 1980; in those same years, total housing construction actually decreased by 17.1 percent and the level of unemployment did not fall below 5.8 percent of the civilian labor force. Then in 1980 a new production decline occurred (according to estimates, the GNP decreased by approximately 0.3 percent that year) and led to President Carter's announcement of a new program of "economic recovery" in August 1980, which was primarily intended to produce an immediate propagandistic impact and shore up the severely shaken campaign positions of the Democrats.

Carter found that it was already impossible, however, to keep his presidential ship afloat. The administration's inability to untangle the tight knot of economic problems in the nation became obvious to the business community and to the masses, predetermining the crushing defeat suffered by Carter in the 1980 election.

The unimpressive economic results of the Democratic Administration's 4 years of activity attest once again not only to the personal errors of the President and his economic advisers, and not only to the inconsistency of his many economic programs, but also to the bankruptcy of the present system of state-monopoly economic regulation.

The American Government's numerous unsuccessful attempts to stop the rapid development of inflation and to keep it from turning into a chronic illness and a constant concomitant of the U.S. economy became one of the main features of this system's crisis. The current inflation in the United States, and in other developed capitalist countries as well, has qualitatively new features. It is not only connected with the arms race, which has given rise to chronic and constantly growing state budget deficits, now covered by the issuance of more money and government bonds. It can be said that today's inflation is built into the very pricing mechanism that gives the monopolies their dominant position in production and in distribution. It is also stimulated by the mechanism of state-monopoly regulation, which uses deficit financing as a means of augmenting economic growth rates. Inflation and rising prices are connected in one way or another with other key problems--economic growth rates, investment activity, production efficiency and the energy supply. The rising prices are lowering the standard of living of the American working public and are intensifying conflicts in the social sphere.

The most prominent American economic experts, who recognize the serious destabilizing effect of chronic inflation on the economic and social sphere, have a pessimistic view of the possibility of any kind of rapid progress in the resolution of problems. In January 1978, Arthur Burns, who had just resigned as chairman of the board of the Federal Reserve System, spoke with undisguised alarm to the National Press Club about the "virtual lack of progress in regard to the economic problems that have been accumulating for many years." "I," Burns stressed, "am referring in particular, of course, to our depressing failure to combat inflation successfully." He drew a direct connection between rising inflation and government economic policy, noting the "inflationary tendencies the government brought about in the economy, under both the Republican and the Democratic administrations."⁶ The results of Carter's anti-inflation policy turned out to be even more depressing than the ones Burns was discussing 3 years ago.

Federal Reserve System Palliatives

In the mechanism for the state regulation of the U.S. economy, particularly for the influencing of inflationary processes, the government and its policy do not constitute the sole component. A second major element consists of the Federal Reserve System and its credit and monetary policy.⁷

The FRS, which performs the functions of a central bank in the United States, is one of the oldest institutions in the system of state-monopoly economic regulation and its role has been constantly augmented in recent decades. In contrast to government budget and tax policy, which can only be revised or changed periodically--and, what is more, these changes are usually connected with problems and difficulties of a political nature--the credit and monetary policy of the FRS changes continuously, or even daily, in line with changing economic conditions.

By virtue of its very structure, the FRS reflects the state-monopoly character of the U.S. economy, perhaps more than any other American capitalist institution. The basis of its functional pyramid consists of private commercial member banks, and the top--the board of directors--is an element of the highest echelon of government economic regulation. Possessing a certain degree of independence within the

framework of the government mechanism, the FRS is less affected than any other U.S. institution by the frequently changing priorities in administration policy and it conducts its regulating policy primarily on the basis of its own assessment of the current situation. In principle, state regulating policy is conducted by the administration and the FRS on the basis of common goals and coordinated decisions, but in practice the interaction between these two components is an intricate and largely contradictory process. What is more, in the 1970's the aggravation of American economic problems, particularly the development of stagflation, which required that the state regulating mechanism simultaneously take action against inflation and tendencies toward economic decline, created even more complex problems in the coordination of government budget and tax policy with FRS credit and monetary policy.

In the postwar decades the first major incident involving the administration and the FRS board occurred at the height of the economic boom of the 1960's, when FRS chairman William Martin issued a statement in June 1965, commenting on the "alarming similarity" of the economic "prosperity" of the 1960's to the economic situation of the 1920's, which preceded the start of the world economic crisis of 1929-1933. Martin asserted that the inflationary boom could be dangerous and could bring about, in his words, "stormy" upheavals in the nation's economy. This warning had the impact of a bomb and was publicly refuted by Lyndon Johnson, who announced that the administration did not see any kind of danger to the economy in inflation.

By 1967, however, the FRS policy of restricting the inflationary boom in the nation's economy won the support of the administration. In the 1970's the regulating efforts of the administration and the FRS were essentially focused on the abatement of the inflationary storm.

This turned out to be exceptionally difficult, not only because of the dramatic exacerbation of domestic economic difficulties, but also in connection with the aggravation of U.S. foreign economic problems and the decline of the dollar's international influence. This meant that the administration and the FRS had to fight a battle on two fronts. The increasing internationalization of capital, production and economic life in general in the 1970's became a new and powerful factor limiting the maneuverability of state-monopoly economic regulation, and this was particularly apparent in the credit and monetary sphere.

The FRS' attempts to counteract the inflationary process by tightening up credit, accomplished primarily through higher interest rates, invariably increased the flow of speculative foreign "hot money" into the United States. This diminished the effect of these measures and accelerated the growth of the money supply with the corresponding inflationary consequences.

The situation was complicated by the fact that a decline in the exchange rate of the dollar in international markets raises the prices of import goods and thereby stimulates the inflationary rise of prices in the domestic U.S. market. And the higher growth rate of the money supply in the United States, according to many American economists, is one of the reasons for the falling exchange rate of the dollar. American experts have no unanimous opinion as to the specific and immediate factors contributing to this kind of dependence, but most of them believe that

it reflects the reaction of international money markets to the dynamics of inflationary tendencies in the U.S. economy, which are definitely indicated in money supply dynamics.

The development of inflation, the deteriorating international currency positions of the United States and the mounting criticism of the inefficient state economic policy in the nation demanded that the FRS board take steps to reorganize and perfect its regulating instruments. In fall 1979 it announced a new strategy in the area of credit and monetary regulation, which Paul Volcker, the new chairman of the FRS board, defined as "practical monetarism." The move to this strategy was described in the American business press as the most important turnabout in FRS policy in recent decades. On 6 October 1979 it took new anti-inflation measures: It raised the prime interest rate (prior to this, the rate had already been raised 10 times in 1978 and 1979) and passed stricter bank reserve requirements, but it simultaneously announced a change in the "operational procedure of monetary control," which meant that the emphasis in FRS regulating policy would be transferred from interest rates to the money supply.

The new strategy was intended to accomplish several tasks: to gradually put the money supply under control (all cash in circulation plus savings accounts and some other accounts in banks and other financial institutions) and thereby make it manageable; to utilize monetary (credit and monetary) planning to alleviate inflationary pressure in the economy for several years; to strengthen the international position of the dollar by means of domestic monetary stabilization; to reduce stagflationary processes for several years and simplify the establishment of prerequisites for more healthy economic growth in the 1980's.

When the FRS board announced this new strategy, it stressed that its effective implementation would depend on the closer coordination of FRS monetary policy with administration fiscal policy, which would require the administration to display restraint in spending and reduce budget deficits more resolutely. It also pointed out the need for the better coordination of currency policies by the United States and its partners. It was also said that the alleviation of inflationary pressure in the nation's economy would presuppose intense effort by the entire state regulating mechanism for at least the next few years.

In accordance with its decisions, in February 1980 the FRS board announced new overall indicators of the money supply. The preparations for their revision had been going on for several years with a view to the considerable changes brought about in payment and accounting operations by technical progress (the system for the automatic transfer of funds from accounts and so forth), changes in the forms of credit institution activity, the increasing effect of international factors on the U.S. credit and monetary sphere and so forth.⁸

The new strategy reflects U.S. state-monopoly capitalism's attempt to make the transition from short-range (depending only on cyclical processes) regulation in the credit and monetary sphere to long-range regulation. In light of the present acute inflationary situation, the current goal is the gradual, regulated reduction of the growth rate of the money supply as a possible means of alleviating inflation.⁹ Since 30 October 1980, for example, new measures have been instituted to strengthen long-range control over the money supply:¹⁰ Reserve requirements (the compulsory minimum reserve figure--that is, the part of the assets of credit

institutions, primarily banks, which must be held by them in reserve to secure their operations) will be extended to savings accounts in banks that are not members of the FRS, to checking accounts in savings and loan institutions and to Eurodollar deposits. This should expand the sphere of FRS control over bank deposits by a sum of around 600 billion dollars (it now controls deposits totaling around 1 trillion dollars, or only around 60 percent of all bank deposits).¹¹ Banks that are not members of the FRS and various savings and loan institutions will have the right to apply for loans from Federal Reserve banks when necessary.

The change in FRS credit and monetary policy priorities in the direction of the stricter regulation of the money supply is not only indicative of a desire to improve regulating instruments; to a certain extent, this is also a reaction to the bankruptcy of the Keynesian doctrines of economic regulation, which were employed for so long by the government, and to the slightly stronger position (solely for this reason) of the advocates of monetaristic theories which hold that the regulation of the money supply is the deciding factor in guaranteed healthy economic growth. "Monetarism," FORTUNE magazine noted, "is now taking the place of the discredited Keynesian ideas everywhere."¹²

It must be said that, as FRS directors stressed, including Volcker, the change in the FRS regulating strategy does not in any way signify a move to the position of monetarism because monetaristic theories, as such, are unacceptable as a theoretical basis for the policy of state-monopoly regulation. The new strategy, as American economists have pointed out, reflects only a realization of the need for stronger purposeful influence on monetary dynamics, the sharp and unforeseen fluctuations of which have been a significant destabilizing factor in the economy in recent years.

There is no question that the effective regulation of the total money supply could have a definite stabilizing effect on inflationary processes. But keeping the money supply within assigned parameters is essentially an equation with many unknown quantities, which are constantly engendered by the haphazard development of capitalist reproduction. For example, in 1980--that is, after FRS policy had been changed--the range of money supply fluctuations in the nation far transcended the bounds that had been set. This reflected the extreme instability of production dynamics, sales, prices, credit flows and so forth in connection with inflation and the economic crisis. Under these conditions, FRS operations in the open market, which were supposed to have a regulating effect on bank reserves and, through them, on the dynamics of the money supply, turned out to be ineffective and could not guarantee the attainment of set goals.

It is understandable why representatives of the monetaristic school--M. Friedman, A. Meltzer, K. Brunner and others--are now criticizing the FRS and are calling its new regulations erroneous. At the same time, they disagree on many matters and their recommendations contradict one another. A bourgeois economist as prominent as F. Hayek is refuting both the Keynesian and the monetaristic recipes, saying that both of these schools are only forms of "misguided scientism which pretends to a knowledge that it simply does not possess in reality." Some bourgeois economists believe that the present paper money standard is completely incapable of performing its functions effectively and propose a return to some kind of gold conversion standard for the dollar as the only, in their opinion, means of "restoring faith in the monetary system." The heated debates that broke out among representatives of

various schools of bourgeois economic thought in the United States over the new FRS strategy are another sign of the crisis of the theory and practice of state-monopoly regulation.

One of the major factors which complicated to the extreme the attainment of FRS objectives in its anti-inflation policy was the chronic and growing budget deficit, the swelling of the national debt and the practice of its funding, for which the FRS is responsible. Testifying to the Senate Committee on Banking in 1980, Volcker had to admit that if the federal budget deficit continues to grow, the FRS and Treasury Department will "be on the road to a confrontation with one another." The total federal budget deficit for just fiscal years 1976-1980 was around 250 billion dollars, which meant that the national debt increased to 914 billion. According to the estimates of the President's Council of Economic Advisers (in January 1981), this debt will exceed 1 trillion dollars in fiscal year 1982.¹³ A further increase in government spending (this tendency is quite clear in the military sphere) could lead to a new swelling of the national debt, with all of the ensuing inflationary consequences, and could doom any FRS or administration anti-inflation strategy to failure.

The Uncertain Future

In connection with Carter's election defeat, which marked the end of the period of Democratic power, his program of economic "recovery," proposed in August 1980, also lost its meaning. What actions will President Reagan take to overcome the complex problems of the American economy? What will the priorities of his economic policy be? Prior to the official start of the Republican Administration (on 20 January 1981), the new President set forth some of the basic premises on which he intends to found his policy of economic "recovery." His plans include measures to prevent recession and stimulate the economy, to reduce federal spending (with the exception of military expenditures, which are to increase) and to institute a policy of austerity in the machinery of state.

The basis of his plan of economic stimulation consists of a 30-percent income tax cut, which will be accomplished gradually, at the rate of 10 percent a year in the first 3 years of the Republicans' term in office, and the subsequent "coordination" of tax rates with inflation indicators. At the same time, Reagan promised to immediately take decisive action to fight inflation. When Reagan was interviewed by U.S. NEWS AND WORLD REPORT (17 November 1980) and was asked what his primary domestic concerns would be after he moved into the White House on 20 January, he replied: "The very first will be to curb inflation." In connection with this, we should remember that each new president in the last 10 years has promised to take effective steps against inflation. Given today's circumstances, these promises have become a ritual, as Carter's defeat was primarily a result of profound dissatisfaction in the nation with his economic policy, particularly in the area of the fight against inflation. Furthermore, the inflationary situation flared up with new force last fall; the slight deceleration of price increases in the middle of the year was followed by new acceleration.

Budget cuts have been designated as one of the main areas of struggle against inflation. Reagan promised to cut federal spending by 64-93 billion dollars by fiscal year 1985.

He announced his intention to keep federal spending below 620 billion dollars in the current, 1981 fiscal year by cutting the ratified budget by 13 billion dollars. Even according to official estimates, however, expenditures in this fiscal year will total at least 650 billion dollars. The new deterioration of economic conditions after fall 1980 will create additional difficulties for the new President. As the 15 December 1980 issue of U.S. NEWS AND WORLD REPORT noted, "there are signs of another recession, and this will undermine the chances for the rapid success of Reagan's economic recovery program.... The deterioration of economic conditions will make it more difficult for Reagan to limit federal spending." What is more, several American experts believe that, given the present economic situation, the planned tax cut could accelerate inflationary processes even more.

According to American forecasts, the rate of inflation will remain extremely high in 1981 as well; the increase in food prices is expected to be particularly sizeable. In its price summary, the research division of the San Francisco Federal Reserve Bank noted that the September "leap in food prices could be just the beginning of an even steeper rise in the cost of this central component of the average American family's budget.... In 1981 retail food prices could rise 14-15 percent; this is several points higher than the already high rate of rise in 1980."¹⁴

The first economic undertaking of the Reagan Administration--the lifting of oil price controls--which was intended to stimulate oil production within the nation, could set off a chain reaction and lead to a new general rise in prices. This measure, which is good for the oil business, could be bad for the consumer.¹⁵

Many American economists have a pessimistic view of the possibility of success in the fight against inflation in coming years. For example, A. Moakovitz from the Dean Witter Reynolds firm believes that "the nation's chief economic task of the 1980's might consist in curbing inflation rather than reducing it."

The crisis that became apparent in the 1970's in the system of state-monopoly economic regulation and its traditional instruments motivated more active efforts by U.S. ruling circles to modify regulation strategy. This took the form of the cancellation of previous widely advertised programs for the rapid resolution of economic problems (for example, Nixon's "new economic policy," which was advertised as the means of quickly and radically overcoming inflation) and a move to long-range planning. This was supposed to aid in solving the most pressing problems and in creating the prerequisites for economic development in subsequent years while the retention of the United States' status as the first industrial power in the world and the leader of the capitalist world.

In recent years, long-range objectives have been given primary attention in state-monopoly regulation in addition to the short-range objective of influencing economic conditions to reduce cyclical fluctuations. These long-range objectives include the stimulation of structural changes in the economy, which are supposed to aid in reducing inflationary pressure in the future; the intensive technological reorganization and adaptation of the economy to the new energy situation; the stimulation of labor productivity and the creation of conditions for the overall heightening of economic efficiency. More effort is being made to take into account the American

economy's increasing dependence on external factors--various processes in the international economic, currency and financial sphere. In connection with this, the closer coordination of domestic and foreign objectives is being given more attention in state economic policy.

American capitalism, which has the greatest industrial, scientific, technical and financial potential in the capitalist world, is trying to find new means of socioeconomic maneuvering and to use all opportunities and reserves to overcome the crisis in its development.

FOOTNOTES

1. "Mezhdunarodnoye Soveshchaniye kommunisticheskikh i rabochikh partiy. Moskva, iyun' 1969 g." [International Conference of Communist and Workers Parties. Moscow, June 1969], Moscow, 1969, p 297.
2. CHALLENGE, May-June 1976, pp 4, 5.
3. D. Bell, "The Cultural Contradictions of Capitalism," N.Y., 1976, p 217.
4. BUSINESS WEEK, 31 October 1977, p 96.
5. The statistics of inflation and rising prices in the United States were published in issue No 2 for 1981, and unemployment statistics can be found in issue No 12 for 1980--Editor's note.
6. A. Burns, "Reflections of an Economic Policy Maker," Wash., 1978, p 255.
7. There is a report on the FRS in issue No 3 of our magazine for 1970--Editor's note.
8. For a discussion of U.S. money supply indicators, see issue No 2 for 1981, p 117--Editor's note.
9. The regulation of compulsory reserve standards is one of the principal instruments of state regulation in the credit sphere. The FRS can change these standards within limits set by law. The reserves of FRS member banks consist mainly of their deposits in federal reserve banks. The direct administrative dependence of credit institutions on the central bank--the FRS--is established through reserve requirements. The monetary control act of 1980 (signed by the President on 31 March 1980) considerably broadened the authority of the FRS, particularly with regard to the regulation of compulsory reserve standards.
10. According to the Full Employment and Balanced Growth Act of 1978 (the Humphrey-Hawkins Act), the FRS must set limits on the growth of the money supply each year. The determination of longer-range credit and monetary policy objectives is now being proposed.
11. FORBES, 29 September 1980, p 33.

12. FORTUNE, 6 October 1980, p 42.
13. "Economic Report of the President," January 1981, p 315.
14. "What's Ahead for Prices?" Federal Reserve Bank of San Francisco, 3 October 1980, pp 1, 3.
15. The Reagan Administration's economic program will be discussed in detail in issue No 5 of the magazine--Editor's note.

H588

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HEGEMONISM: POLITICAL CATEGORY AND PRACTICE

Moscow SBHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 27-37

[Article by A. M. Belov and V. F. Petrov]

[Text] "Imperialist circles think in terms of domination and coercion in regard to other states and peoples"--from the Accountability Report of the CPSU Central Committee to the 26th CPSU Congress.

The word "hegemonism" burst into the international political vocabulary like a meteor. After it had achieved recognition in the press and on radio and television in various countries and at national and international forums, it became just as international as the terms "aggression," "colonialism" and "exploitation." Nevertheless, although the term "hegemonism" is in general use, it arouses widely differing feelings. This was particularly attested to by the events that occurred at the 34th Session of the UN General Assembly.

It was at this session that the USSR proposed that the "impermissibility of the policy of hegemonism in international relations" be discussed as an important and urgent matter. In putting forth this broad-scale foreign policy initiative of such great ideological significance, the Soviet Union was guided, just as it has been guided in other moves in the international arena, by the desire to consolidate world peace and public security. By its action in the United Nations, the USSR resolutely condemned the policy of hegemonism as one of the sources of tension, the destabilization of international affairs and the danger of military conflicts. It proposed that the UN General Assembly declare that a state or a group of states should never, under any circumstances and for any reason, aspire to hegemony in international affairs or strive to gain a dominant position in the world as a whole or in a particular region.

"The Soviet Union," Minister of Foreign Affairs A. A. Gromyko, member of the CPSU Central Committee Politburo, said at the session, "feels that the United Nations, which is supposed to aid in safeguarding international peace and security, should condemn the policy of hegemonism in any form and point out its incompatibility with the basic principles of the UN Charter and with the goal of lasting peace and strong international security. There is no question that the constructive discussion of this matter and the adoption of a resolution which would motivate states to renounce the policy of hegemonism would aid in the further improvement of the international climate and strengthen the bases of world peace."¹

In response to this clear and concise statement by the Soviet Union, the U.S. representative in the United Nations announced: "We do not believe that an attempt to define the term hegemonism is a worthwhile pursuit."² The best reply the Israeli representative could come up with, on the other hand, was the remark that "standard general and political dictionaries contain no such word as 'hegemonism.'"³

In this way, two opposing points of view clashed at the UN General Assembly session. There is no doubt that the main question was not one of semantics, but of politics: Would the General Assembly consent or decline to express its weighty opinion in regard to the policy of hegemonism and the need for the most resolute and uncompromising struggle against any signs of hegemonism. The result of the clash was indicative: The Soviet initiative was supported by the overwhelming majority of UN members. On 14 December 1979 the General Assembly adopted a comprehensive resolution on the impermissibility of the policy of hegemonism in international relations. It was supported by 111 delegations, 4 delegations voted against it (the United States, Israel, Canada and Australia) and 26 abstained (mainly delegations from the NATO states, as well as Japan, Chile, Paraguay and several other countries).

The resolution, which is now known as No 34/103, contained the following definition: "Hegemonism is a form of policy conducted by a state or group of states using political, economic, ideological or military means to control, dominate or subjugate other states, peoples or regions." Therefore, the essence of the policy of hegemonism is that it is dictated by a desire to dominate other states and peoples. This is its credo.

The term "hegemonism" is derived from the ancient Greek word "hegemonia," meaning domination or supreme command. It was used in this sense by V. I. Lenin, who pointed out the following: "Imperialism is characterized by competition by several large powers desiring hegemony."⁴ The word "hegemony" gave birth to the term "hegemonism," which describes a policy in international relations that is aimed at the establishment of the hegemony of a state or group of states in these relations.

Hegemonism is based on a hunger to exploit other states and peoples, a hunger for their wealth and resources. The imperialist powers' hegemonistic ambitions to divide the world started World War I. Fascist Germany's hegemonistic ambitions brought mankind even more difficult, unparalleled trials. With extreme cynicism, the heads of Germany revealed the "philosophy" of their hegemonistic aims, founded on misanthropic sermons regarding the annihilation of entire races, rabid racism and an obsession with aggressive wars of conquest.

The Soviet people sacrificed 20 million human lives to bury hegemonism in its fascist form. This fact alone explains why the USSR has waged such a consistent, unyielding and irreconcilable struggle against the policy of hegemonism, wherever it may spring up. The failure of the plans to establish fascist hegemony delivered mankind from a truly horrifying danger. History teaches people to keep a vigilant eye on the phenomenon that gave birth to this danger.

Hegemonism has not disappeared from the international arena and today it takes a variety of forms. "Imperialism, colonialism, neocolonialism, racism, including

Zionism, and apartheid," the resolution of the 34th UN General Assembly Session states, "are forces striving to perpetuate unequal relations and privileges seized by force and therefore represent various forms of the policy and practice of hegemonism."

As we can see, the United Nations quite specifically named the chief current sources of the policy and practice of hegemonism. Imperialism heads the list, and the United States is imperialism's stronghold.

The United States of America emerged from World War II not only with a monopoly on the atomic bomb but also, and indisputably, with the strongest economy in the capitalist world. All of this helped to strengthen U.S. ruling circles' belief in the special destiny of America in the postwar years; it was destined to take on the functions of a world leader, to remodel the world according to its own design and to establish a "Pax Americana." It is no secret that American imperialism was unable to carry out these ambitious plans.

Hegemonistic ambitions, however, are still characteristic of the United States. As pointed out in the Accountability Report of the CPSU Central Committee to the 26th Party Congress, the more aggressive imperialist circles intend to "reassume the right to decide the fate of nations." Pretensions to a "leading role" in the world for the United States were voiced with cynical frankness in speeches by Carter, Brzezinski and other Democratic administration spokesmen. This was the tone, for example, of the presidential State of the Union message to Congress on 16 January 1981. The thesis of American "leadership" and the "special responsibility" that was supposedly conferred on the United States by God's will was loudly declared in this message, just as in many other documents, speeches and interviews of American officials.

Without the slightest hint of embarrassment, American statesmen, political scientists and representatives of the press call their nation a "superpower" in an attempt to lay a basis for American imperialism's claims to special rights and functions.⁵ On 28 July 1980, Harold Brown, the previous administration's secretary of defense, unequivocally stated: "By virtue of our nation's status as a superpower, the demands made on our defense are of a global nature."⁶ Propaganda about the "exceptional" nature of America and the "global role" of the United States, which must be augmented and reinforced with the appropriate military, political and economic attributes, has taken on unprecedented scales in America. Special zeal has been displayed in this area by rightwing conservative organizations closely connected with the military-industrial complex, such as the Committee on the Present Danger, the Coalition for Peace Through Strength, the American Security Council and others.

The Beijing leaders also have hegemonistic ambitions. The 34th Session of the UN General Assembly was the first session after the "lessons" the Chinese hegemonists tried to teach the heroic people of Vietnam. The flagrant exertion of pressure on the Socialist Republic of Vietnam and the provocations organized by the Chinese militarists on the Vietnamese-Chinese border, which evolved into an armed invasion of Vietnam, combined with the policy of the seizure and destruction of material wealth by occupation troops in temporarily occupied territory—these were the events taking place a few months prior to the beginning of the session.

These events represented the background for the UN discussion of the impermissibility of hegemonism in international relations. In the resolution on hegemonism, the General Assembly felt the need to announce that it "resolutely condemns the policy of pressure, threats of force or the use of force, direct or indirect aggression, occupation and the increasingly widespread practice of overt or covert interference and intervention in the internal affairs of states." As we know, Beijing tried to shield its own expansionism and hegemonistic aims and simultaneously slander the opponents of hegemonistic policy by waging a stubborn campaign to hang the hegemonist label on the USSR and Vietnam. The Soviet initiative in the United Nations and its discussion at the General Assembly session struck a severe blow against China's attempts to manipulate the concept of "hegemonism." The Chinese delegation took an overtly obstructionist stand at the General Assembly session, but all of its efforts to obscure the issue with false prattling were unsuccessful. And no one was deceived by this delegation's eventual vote in favor of the resolution condemning the policy of hegemonism. This only reaffirms the hypocrisy of Beijing, which has not discarded any of the forms of hegemonism in its own policy.

History has shown us that the policy of hegemonism always tries to rely primarily on force, particularly the force of weapons, because there have never been any people who voluntarily put themselves in a subordinate position and renounced the right to decide their own destiny.

For thousands of years, wars, including wars to change borders and to subjugate a neighboring country or countries, were not regarded as unlawful criminal actions. There were social reasons for this attitude toward war, rooted in the exploitative state structure. It was not until the division of society into the exploiters and the exploited stopped, which first occurred as a result of the Great October Socialist Revolution, that a qualitatively new attitude toward war was born--a realization of the absolute impermissibility of aggressive wars of conquest.

The severe trials suffered by mankind during the years of World War II, the creation of an anti-Hitler coalition and the leading role played by the Soviet people in the devastation of fascism established the conditions in which the prohibition of war as an instrument of national policy could first be declared a provision of international law in the UN Charter. This laid the necessary political and legal bases for a struggle by peace-loving states to implement the noble goals and principles of the UN Charter. And the main goal is a peaceful and secure future for mankind, without any danger of military aggression.

In the struggle for peace and security, it will be necessary to overcome the strong resistance of the forces listed in General Assembly Resolution 34/103 as manifestations of the policy and practice of hegemonism. Pursuing their hegemonistic goals, they persist in relying on armed force and have already put it to use numerous times in the Middle East, in Southeast Asia and in Africa. The Anglo-Franco-Israeli aggression against Egypt, Israel's numerous aggressive wars against neighboring Arab states, the aggressive American war against Vietnam and Kampuchea, the Chinese aggression against Vietnam and South Africa's military actions against the countries of southern Africa--this is far from a full list of the instances in which weapons have been used for the sake of hegemonistic goals.

Hegemonists have made many attempts to intimidate people by threatening the use of weapons. According to the Brookings Institution, between 1946 and 1975 Washington resorted 215 times to various shows of military strength and other forms of military pressure, threatening to use the American armed forces against countries with policies that somehow did not appeal to U.S. ruling circles. In these 30 years the U.S. Government made 177 attempts at military pressure with the aid of the American Navy, including 106 cases in which aircraft carriers were used. The American Air Force was put to work in 103 cases and U.S. ground troops were used 45 times.⁷

But even these scales, on which shows of military strength have been used as leverage, seem inadequate to some. Brzezinski, for example, appealed for more convincing shows of American strength and of U.S. willingness to use this strength.⁸ Similar views have been expressed in a number of books and articles published in the United States in recent years. The American Government is criticized for its alleged inadequate use of force as an instrument of policy, for example, in "National Security in the 1980's: From Weakness to Strength," a work published by the Institute for Contemporary Studies (San Francisco). The underlying theme of the book is the allegation that the Americans, as a nation, have ceased to consider even the "cautious use of force" in their foreign policy. The authors of the book include P. Nitze, E. Zimwalt, W. Van Cleave, K. Adelman, R. Ellsworth, E. Luttwak and several other persons renowned for their conservative, "hawkish" views.⁹

Hegemonism is quite closely connected with militarism, the arms race and the desire for military superiority, which is always regarded by hegemonists as an essential condition for a dominant position in a particular region or in the world as a whole.

A massive and long-term buildup of military strength has begun in the United States. The obvious purpose of this is to disrupt the existing balance of power between the USSR and the United States, between the Warsaw Pact countries and NATO members, and to gain a position of military superiority for the United States. In fact, no one is taking any great pains to conceal this goal. The abovementioned message by Carter frankly announced that the United States' "must pay whatever it costs to remain the strongest country in the world." Judging by all indications, this policy will remain in effect under the present administration.

There is unprecedented growth in military spending in the United States. The figure has already reached 150 billion dollars a year. "But even these astronomical figures," the Accountability Report of the CPSU Central Committee to the 26th CPSU Congress points out, "do not satisfy the American military-industrial complex, and it is demanding more." Expressing its interests, notorious "geo-strategist" P. Nitze insists in an article, "Strategy for the 1980's," published in FOREIGN AFFAIRS, that U.S. military expenditures should increase at a rate of 40-50 billion dollars a year. He has to admit that he does not know where these huge sums will come from, in view of America's inflation, budget and energy problems, but he nonetheless counsels a further change in public opinion in the nation in regard to the "need to restore its power, including military power, as a necessary basis of support" for American foreign policy.¹⁰

As U.S. NEWS AND WORLD REPORT predicts, "in the next 5 years more than 1.25 trillion dollars, and possibly an entire 1.5 trillion, will be allocated to strengthen the American Armed Forces." The magazine expresses the certainty that Congress will be more likely than before to fill requests for military needs.¹¹

It is interesting that the Pentagon's plans, which envisage the considerable augmentation of the potential of all of the chief components of the American military machine, stress the development of its offensive capability. The thirst for military superiority is a kind of barometer of hegemonistic intent and the related danger of military adventurism. It is no coincidence that the unprecedented growth of military spending in today's United States is accompanied by an upsurge of chauvinistic, hegemonistic feeling.

It is understandable that the degree of danger this upsurge could pose to mankind depends on the actual capabilities of the contender for hegemony--on military, economic and other potential. In the case of American hegemonism, this danger is particularly great. We cannot forget that it is one thing when hegemonistic ambitions are backed up by an army equipped with what are now commonly called conventional weapons, and it is quite another situation when nuclear weapons of mass destruction are placed at the service of hegemonism. This is why the world public rightfully saw the U.S. President's announced arms race program and the theory of "limited" nuclear war, declared in Directive 59, as clear signs of a mounting military threat, which could inflict incalculable damage on mankind in the event of a nuclear conflict. It is also easy to see all of the senselessness, adventurism and irresponsibility of those who want to encourage hegemonism in its Beijing version by helping in the intensive buildup of China's military potential.

The military aspect of hegemonism has many characteristic features. They include the all-out quantitative and qualitative buildup of nuclear and conventional weapon strength. They also include a dense cobweb of military bases on foreign territory (according to American data, the United States has more than 1,600 such bases scattered throughout the world).¹² They also include the policy of increasing the number of American personnel outside the United States (according to U.S. NEWS AND WORLD REPORT, at the beginning of 1981 there were 502,600 American servicemen stationed abroad, and in 1980 the number rose by more than 22,000).¹³ They also include naval fleets with their weapons trained on the territory of dozens of countries, the "rapid deployment" forces created by Washington exclusively for armed intervention in the affairs of other states, and many other military instruments relied upon by the policy of hegemonism.

The advocates of a more pronounced shift in the direction of hegemonism in U.S. military and foreign policy are searching for more military leverage to execute such a policy. They are demanding that the U.S. Armed Forces be equipped with neutron weapons and that the development of laser weapons be accelerated. Others, such as G. Kemp, are advising the development and use of oceanic and space technology for the purpose of "changing the geopolitical map" and "giving American strength new dimensions."¹⁴

But although weapons are the main instrument in the arsenal of hegemonistic policy, they are not the only one. Above all, something must be said about imperialism's aggressive military and political blocs, whose feelers stretch to

virtually all continents. These blocs, in which the leading role is monopolized by the United States, and the system of bilateral military and political treaties and agreements between the United States and many other countries allow Washington to play a disproportionately large role in various regions and to influence the foreign and domestic policy of its partners.

The United States is not concealing the fact that it hopes to strengthen its role in these military and political alliances even more under the conditions of the present tension in international affairs. "The present structure of world politics," said, for example, American historian and cold war ideologist P. Seabourne, "is such that America is the only great power with enough resources to play a serious game from a position of strength with opponents who do not accept the values of our system."¹⁵ At the same time, Washington interprets this kind of alliance as grounds for U.S. intervention, whenever convenient, in events occurring in the most diverse corners of the planet. In the abovementioned speech, H. Brown expressed his views on this matter quite frankly. "As a world power with global interests and a global system of allies, the United States must be capable of quickly and effectively responding to military challenges in any part of the world."

Pursuing its hegemonistic goals, American imperialism is hoping to attach its allies more securely to the U.S. military machine and force them to subordinate their own interests to Washington's global plans and undeviatingly follow in the wake of American foreign policy. American politicians would like to create new blocs to replace the disintegrated CENTO and SEATO blocs and to build U.S.-controlled military groups wherever they do not now exist.

Economic leverage of all types is acquiring increasing significance in the arsenal of hegemonistic policy as a means of enslaving and exploiting peoples and states. The authoritarian behavior of foreign monopolies and transnational corporations, the activities of international economic organizations controlled by the West, especially the United States, and the unfair exchange between the developed capitalist states and the developing countries--these and many other instruments of exploitation and subordination are widely used to preserve and reinforce the unequal relations between the small group of leading capitalist states and dozens of developing countries. It was with good reason that the UN resolution on hegemonism made direct references to colonialism and neocolonialism as forces striving to perpetuate unequal relations and privileges and, therefore, representing various forms of the policy and practice of hegemonism.

One characteristic feature of hegemonism is an attempt to restrict the freedom of people to determine their own political system and accomplish their economic, social and cultural development without interference, intimidation or pressure. Hegemonism will not reconcile itself to the collapse of the imperialist colonial system or to the increasing determination of the liberated states to act independently, including independent action to keep foreign monopolies from stealing their natural resources. This is the reason for the reversion to "gunboat diplomacy," saber-rattling, uncerecermonious interference in the internal affairs of other countries and other flagrant violations of universally accepted standards of international relations. By its very essence, hegemonism is a denial of the principle of the sovereign equality of states, equal cooperation between states

and the right of peoples and states to independently settle their own affairs and build their relations with other countries on the basis of mutual advantage and mutual respect. Hegemonism is incompatible with the provisions of the UN Charter.

Who is threatened by hegemonism today? A clear-cut reply to this question was given by L. I. Brezhnev when he stressed that "the adventuristic 'doctrines' of the new preachers of 'politics from a position of strength' are not merely dangerous to a single country or group of countries. They pose a threat to the peace and security of all states and peoples. It is the duty of everyone who needs and values peace to thwart these evil plans."¹⁶

The threat to peace stems primarily from the fact that the policy of hegemonism invariably leads to wars. Claims to hegemony in international relations inevitably create seats of tension, an arms race, conflicts and international crises. The hegemonists do not want detente; they want the aggravation of international affairs, increased tension, the escalation of military hysteria, fear, suspicion, conflicts and disputes between states, because it is easier for hegemonists to act in this kind of political atmosphere and it is easier for them to deceive the people in their own country.

Although hegemonism poses an obvious threat to the entire world community, it generally chooses small and medium-sized states as its victims. These states, particularly the developing countries, experience the pernicious effects of various forms of hegemonism--aggression, occupation, intervention in internal affairs, economic blackmail, subversive activity and so forth.

The policy of hegemonism can be conducted on various scales--global or regional. Some states whose ruling circles preach hegemonism simply do not have enough strength to aspire to world leadership and they must restrict their appetites to the regional framework for the time being and hope for more in the future. But the methods of action that these hegemonists choose are not at all surpassed in terms of greed, brutality and other "qualities" by the hegemonistic methods of large imperialist powers. This was made abundantly clear, for example, to the people of the Arab states by their experience in dealing with Israel, whose policy in the Middle East is completely devoted to the establishment of Israeli dominion there.

The propaganda entourage of the policy of hegemonism deserves special mention. The days when hegemonistic ambitions did not have to be concealed or rationalized are gone forever. The possession of strength was once considered to be sufficient "grounds" to use this strength for the purpose of conquest. Although hegemonism's motives are still selfish, it can no longer completely omit to justify or camouflage them. The colonizers did this by camouflaging their exploitation of the colonial people with the allegation that they were performing some kind of "civilizing" mission. Fascist Germany's ideologists worked out an entire system to "justify" the barbarous policy of German hegemonism. A place was found in this system for the notorious theory of "living space," for all types of nonsense about superior and inferior races, for the slogan of struggle against "world communism" and so forth.

Today's hegemonists are also trying to camouflage their aggressive aims. One of their favorite methods is to make references to a threat to "national security"

and "vital interests." Excessively broad interpretations of the very concept of "national security" are used for this purpose, and the territory of other sovereign states and even entire regions is arbitrarily included in the sphere of "vital interests."

An example of the hegemonistic interpretation of "vital interests" can be seen in Washington's declaration that the Persian Gulf zone, and not only this region, is part of the sphere of the "vitally important interests" of the United States. As Brzezinski announced, "for the last 30 years Western Europe and the Far East have been a strategic zone of vital importance to us. In recent years the Middle East and Southeast Asia have also become one of the main strategic zones of vital importance to us." In an article in U.S. NEWS AND WORLD REPORT, he tried to convince his fellow Americans that "it is becoming more and more difficult to restrict various security concerns to one small geographic region."¹⁷ In essence, U.S. ruling circles have decided to include any part of the world in the sphere of American "vital interests" at their own discretion.

The need for access to foreign oil and other raw material resources, the need to protect sea lanes, the interests of American multinational corporations and so forth--all of these are actively used as justification by executors and apologists of the policy of hegemonism.

The "argument" pertaining to "unstable" or "restless" regions has been put forth in recent years for the same purpose. Speaking in Congress in February 1980, H. Brown announced that "the proper American military presence must exist in or near regions of unrest, and if it does not exist here then the possibility of the rapid transfer of American armed forces to these regions must be guaranteed." Furthermore, Washington has reserved the right to determine which regions should be regarded as zones of "unrest." The notorious theory of the "crescent of crisis" is only one of the clear signs of the general intent to build up U.S. military presence in various parts of the world.

The hackneyed old myth about the "Soviet threat" and slanderous statements about progressive national liberation movements are put to work each time the Pentagon wants large additional sums for its own needs or the congressional approval of military programs and whenever the United States attempts to interfere in the affairs of other states.

Explaining the reasons for anti-Soviet hysteria in the United States, L. I. Brezhnev said: "Washington simply needs a pretext to broaden its expansion in Asia and it will use any method to create one." "The main consideration," he said, "is that the United States now intends to establish a network of U.S. military bases in the Indian Ocean, in the countries of the Near and Middle East and in the African countries. The United States would like to subordinate these countries to its hegemony for the unimpeded appropriation of their natural resources. At the same time, it would use their territory in its strategic intrigues against the socialist world and national liberation forces. This is the essence of the matter."¹⁸

Variations on these American "arguments" are used by South African racists, Israeli Zionists and Beijing hegemonists to justify their own aggressive expansion.

The Beijing hegemonists have armed themselves with the demand that all territories which were subject to the Chinese sovereigns in ancient times, or were even simply visited by Chinese merchants, be returned to China.

There is a fierce political and ideological struggle being fought over the issue of hegemonism. As is often the case in international affairs, there are some who love to lay the blame on someone else in an attempt to escape legitimate criticism of their own hegemonistic impulses. This applies in particular to Beijing, which has used various diplomatic and propaganda maneuvers to create false ideas about who the actual hegemonists are.

People have learned enough from history, however, to see through the attempts of those who covet the possessions of others and try to pass off their vices as virtues.

The discussion of hegemonism in the United Nations at the suggestion of the Soviet Union and the resolution adopted by the UN General Assembly at the initiative of the USSR defined the policy of hegemonism and indicated the responsible parties, and this will make it more difficult to manipulate this concept.

The Soviet Union has always opposed any form of hegemonism. As Minister of Foreign Affairs A. A. Gromyko stressed in his speech at the 34th Session of the UN General Assembly, "hegemonism is the direct opposite of the equality of states and peoples, the opposite of the ideals which were held up to the entire world by the October Revolution and which the United Nations, as its charter prescribes, must establish by every means possible in international relations."¹⁹

The development of world events in 1980 conclusively demonstrated the timely nature of the Soviet proposal to condemn the policy of hegemonism. The deterioration of the international situation was caused primarily by the hegemonistic ambitions of the United States, taking the form of attempts to disrupt the existing military-strategic balance to the detriment of the socialist countries and to gain a superior position for itself. The expansionist actions of the Beijing hegemonists also played a significant role in the escalation of international tension.

The 34th UN General Assembly Session's diagnosis of the deterioration of international affairs--hegemonism in all its forms and manifestations--made it possible to also define the best methods of correcting this situation.

At the 35th Session of the UN General Assembly at the end of 1980, the Soviet Union put forth a group of proposals to strengthen international security safeguards, a prominent place among which was assigned to concrete measures to diminish the threat of war, curb the arms race and block hegemonistic ambitions whenever and wherever they originate.

One of the chief measures was the proposal that existing military blocs not be enlarged and that new ones not be created. This proposal is a logical development of the Soviet Union's consistent defense of the line opposing military superiority and hegemony in international affairs.

The Soviet proposal has a number of important aspects from the standpoint of the fight against hegemonism. Firstly, the global nature of this proposal will not give any side a chance to compensate for the restriction of certain actions in one region by means of expanded action in another. Secondly, the appeal it contains is addressed to all states--not only the members of military groups--and envisages specific obligations for all of them. This is consistent with the basic responsibility of all states without exception to strengthen international security. Thirdly, the implementation of the proposal would create favorable conditions for the broader institution of the system of collective security envisaged in the UN Charter and exclude the possibility of claims to world leadership, and fourthly and finally, the proposed measures would reduce regional tension and complicate the display of hegemonism in specific regions.

The Soviet draft resolution also contained an antihegemonistic appeal to all states, particularly the permanent members of the Security Council and the countries bound to them by military agreements, to stop augmenting their armed forces and building up their conventional weapon strength on a specific date. This measure took into account the special responsibility of the permanent members of the Security Council to safeguard world peace and international security and to limit arms in line with Article 26 of the UN Charter. The largest military powers would be given an opportunity to set a good example for others.

It is indicative that all of the efforts of hegemonistic forces to undermine the new proposals were futile. The overwhelming majority of delegates at the 35th Session of the General Assembly supported the ideas set forth in the Soviet proposals, thereby demonstrating that the United Nations not only condemns hegemonism but also favors action to remove it from the practice of international relations.

The vital interests of all people demand that hegemonism, in all of its forms and manifestations, disappear, completely and irrevocably, from the practice of international relations.

The eradication of hegemonism and all related phenomena is still on the agenda of international life. Reliable means of accomplishing this were pointed out by the 26th CPSU Congress, which reaffirmed all previous Soviet proposals regarding the reinforcement of international security and the limitation of the arms race and put forth an entire series of new initiatives, covering a broad spectrum of major issues, both on the geographic plane (in Europe, the Middle, Near and Far East) and on the level of military strategy (pertaining to nuclear missiles and conventional weapons, ground troops and air and naval forces).

Taken together, the Soviet proposals represent a comprehensive program for the limitation and curtailment of the quantitative and qualitative growth of weapon stockpiles on the global and regional levels, a program which leaves no room for hegemonism and the policy of dominating and coercing other states and peoples. The implementation of the Soviet proposals would not disrupt the existing balance of power in the slightest but it would help to lower the level of military confrontation. If this were accomplished, no one would lose, and all states would win equally.

FOOTNOTES

1. A. A. Gromyko, "Za bezopasnost' narodov, za mir na zemle" [For Public Security, For Peace on Earth], Moscow, 1979, p 22.
2. United Nations Document A/C. 1/34/PV. 50, p 98.
3. Ibid., p 71.
4. V. I. Lenin, "Polnoye sobraniye sochineniy" [Complete Collected Works], vol 27, p 389.
5. See, for example, "The United States in the 1980's," edited by P. Duignan and A. Rabushka, Stanford (Calif.), 1980.
6. THE NEW YORK TIMES, 29 July 1980.
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15. "Defending America. Toward a New Role in the Post-Detente World," N.Y., 1977, p 243.
16. PRAVDA, 23 February 1980.
17. U.S. NEWS AND WORLD REPORT, 31 December 1979/7 January 1980, p 37; THE NEW YORK TIMES, 30 March 1980.
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19. A. A. Gromyko, Op. cit., p 19.

8588

CSO: 1603/8

CHANGES IN CANADIAN GOVERNMENT ECONOMIC POLICY

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 38-49

[Article by L. A. Nemova and V. V. Popov]

[Not translated by JPRS]

CSO: 1803/8

RELIGION, POLITICS AND THE 1980 ELECTIONS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 50-59

[Article by D. Ye. Furman]

[Not translated by JPRS]

CSO: 1803/8

THE NEW ADMINISTRATION AND THE 'MEXICAN FACTOR'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 60-66

[Article by P. G. Litavrin]

[Text] Mexico was the first country to be visited by the newly elected President of the United States. Ronald Reagan crossed the Rio Grande without even waiting for his official inauguration, which demonstrated once again the great interest now being displayed by American ruling circles in their southern neighbor.

For the last 2 or 3 years the U.S. leadership has been painstakingly courting this country, and this is not surprising. Known reserves of Mexican oil were estimated at 8 billion tons at the end of 1980, putting Mexico in fifth place in the capitalist world, after Saudi Arabia, Kuwait, the United States and the United Arab Emirates. Potential reserves, on the other hand, are many times greater than known reserves. Although exports of Mexican oil to the American market are not particularly great at present, having stabilized at a level of 750,000 barrels a day, they do represent around 4 percent of all U.S. oil imports (in comparison, for example, to the 2.2 percent supplied by Venezuela).

It is obvious that the reserves and potential prospects of Mexican oil exports to the United States are tremendous. The accessibility of Mexican oil and gas, the proximity of the oil and the low cost of transporting it—these factors, along with Mexico's considerable economic dependence on the United States, are making Mexican oil extremely appealing to the United States. According to prominent American expert R. Fagen, "there is no question that the United States would rather buy oil and natural gas from Mexico than from any other partner." Given the present international situation, Mexican oil is also becoming particularly important to Washington for another reason, as the NEW YORK TIMES pointed out: "Of course, Mexican oil cannot resolve our energy crisis by itself, but it will let us talk to OPEC from a position of strength." Therefore, the southern neighbor's oil resources are taken into account when U.S. foreign policy and foreign economic strategy are being planned.

The attainment of broad access to the southern neighbor's oil and gas resources turned out to be less simple for the American leadership than it seemed at first, however. Conducting a policy of limiting oil production to industrialization and import requirements, Mexico established an oil quota of 2.25 million barrels a day as early as 1977, and only half of this total amount was earmarked for export.

This level of production severely disappointed the United States, which was hoping for the attainment of 4-5 million barrels a day. The Mexicans' suggested gas price of 2.6 dollars a cubic foot (1 foot = 30 centimeters) was judged too high. Mexico's firm stand on the protection of its natural resources irritated many members of the U.S. ruling elite, and this aggravated U.S.-Mexican relations in 1977 and 1978.

In the belief that Mexico had "no other recourse" and would therefore have to give in to American pressure sooner or later, the Carter Administration took a more unyielding approach to its neighbor: Stricter control was instituted over the illegal entry of U.S. territory by Mexicans in search of work (so-called "braceros"), a previously concluded agreement on large shipments of Mexican oil to the United States was cancelled, and the high customs duties on imported Mexican goods remained in effect. The Democratic administration obviously also hoped to take advantage of Mexico's economic difficulties. At that time, Mexico was experiencing a severe economic crisis (its foreign debt reached 30 billion dollars in 1977 and the rate of inflation exceeded 30 percent). As E. Williams, researcher of U.S.-Mexican relations, remarked in an article in ORBIS magazine, under these conditions "any cuts in foreign financing could seriously undermine Mexico's ambition to become a major producer and exporter of oil and gas."

Subsequent events indicated, however, that the U.S. pressure did not have the desired impact. As the growth rate of the Mexican GNP rose (7 percent in 1978 and 7.5 percent in 1979) and exports of oil increased, the foreign debt decreased and foreign credit terms improved. As a result, Washington, and not Mexico, had to make concessions: Without even obtaining any kind of increase in shipments of Mexican oil, the United States had to agree to buy natural gas at a price of not the 2.6 dollars per cubic foot that was earlier judged unacceptable, but 4 dollars.

In 1979 and 1980 the Democratic administration changed its tactics, advocating the development of a "special relationship" with Mexico and speaking of the expediency of giving some thought to Mexican interests and taking the road of compromise and negotiation. Although President Carter's visit to Mexico in February 1979¹ did not remove the main conflicts and did not settle disputes between the two neighbors, it demonstrated American ruling circles' intention to come to some agreement with Mexico in regard to a broad group of problems and to simultaneously gain some advantages for the United States from Mexico's economic dependence on American exports, particularly drilling equipment, and Mexico's interest in credit and U.S. technology.

In general, however, no significant improvement took place in U.S.-Mexican relations in the last 2 years of the Democratic administration. As President L. Portillo repeatedly stressed, the United States holds Mexican interests in contempt and does not want to deal with Mexico on the basis of equality and nonintervention in its internal affairs. The thesis regarding the need to develop a "special relationship" with this southern neighbor turned into another of the Carter Administration's declarations and was never reinforced by any action. Washington made no attempt to settle the "bracero" question or resolve trade conflicts and it did not conceal its

1. See SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA, No 6, 1979, pp 50-52--Editor's note.

irritation with Mexico's foreign policy line, particularly the development of its relations with Cuba. In addition, the United States violated earlier agreements. At the end of 1980, for example, the Mexican Government had to abrogate a bilateral fishing treaty, which regulated the fishing quota and rules in coastal waters, because the Americans were not observing it. Following this, the state of U.S.-Mexican relations remained complicated and indefinite.

These were the conditions under which Reagan made his visit, which was naturally supposed to be unofficial. He was pursuing a far-reaching goal, however, by judging the lay of the land before determining the Republican administration's approach to this country.

The two sides, the communique indicates, exchanged views on the state of world affairs, expressed their determination to develop and strengthen bilateral relations, agreed to create a system for constant consultations on foreign political issues and concluded that the "difference between the economic developmental levels of the two countries" had to be taken into account in their bilateral relations. The wording of the short U.S.-Mexican communique is abrupt and quite general. Some of the statements in the communique are nonetheless of interest.

In the first place, Washington's consent to hold political consultations with Mexico testifies that the new American leadership is inclined to regard this country as a strong power; in the past, Brazil was the only Latin American country to be given this "honor."

In the second place, the declared intention of the two sides to take the different economic developmental levels of their countries into account in the construction of their interrelations represents a concession on the part of the United States, as Mexico has long insisted on this.

These factors, just as the demonstrative haste of Reagan's trip to Mexico and the ostentatious friendliness and frankness of his talk with Portillo, were indisputably supposed to create a new psychological atmosphere in American-Mexican relations in order to establish favorable conditions for the realization of the Republican administration's ambitious plans for Mexico and other countries of Central and North America.

There are influential forces in U.S. politics that want to establish a North American common market, with Canada, the United States and Mexico as its members. This plan, proposed by California Governor J. Brown and former Secretary of the Treasury in the Nixon Administration J. Connally, is supported by President Reagan. In essence, the plan calls for the creation of an economic association modeled on the EEC by means of the gradual elimination of customs tariffs and immigration restrictions. It is assumed that the United States would be given access to the raw material resources of its neighbors and would have a broader market for its own finished products; Mexico, in turn, could largely solve its unemployment problem through emigration and could export many commodities to the United States and Canada almost duty-free.

Although the implementation of this plan would give the Mexicans certain benefits, just as it would benefit the Canadians, who are interested in acquiring broad

access to the American market, the Portillo government takes a negative and suspicious view of the plan as a whole because the advantages that Mexico might gain are obviously surpassed by the negative consequences of Mexico's involvement in this plan. For example, the higher level of U.S. economic, scientific and technical development will put the United States in a better position in the competitive market, and this will undermine the Mexican economy. What is more, inclusion in the North American common market will unavoidably bind Mexico's energy, human and material resources as closely as possible to the economy of its northern neighbor, which could make it an appendage of the American economy and, in the political context, remove every opportunity to take independent action in the international arena. This is why the Mexican leadership believes that the idea of the North American common market is inconsistent with the nation's present level of development.

American supporters of this plan, however, have no intention of completely giving up such tempting prospects, particularly at a time when the United States is experiencing serious difficulties with its energy supply, the competitive potential of American goods is declining in comparison to Japanese and Western European goods, and production costs are rising. Realizing that the proposal to create a North American common market is not being supported, particularly in Mexico, they hope to set up conditions for membership in the association that would be acceptable to their neighbors. In this context, the statement in the American-Mexican communique about the need to take the "difference between the economic developmental levels of the two countries" into account in bilateral relations is understandable.

High hopes are being built on the use of Mexico's growing dependence on American exports (machine tools, drilling equipment and industrial raw materials) and capital in the U.S. interest. In 1980 the total trade volume of these neighbors was almost double the 1978 figure, reaching 28 billion dollars, which put Mexico third among the United States' trade partners, after Canada and Japan. It is interesting that U.S. exports, which are extremely necessary, not only to maintain the high level of oil production but also to accomplish large-scale industrialization and the dynamic growth of Mexican industry, are growing much faster than Mexico's oil output. According to American estimates, possibilities for the reduction of diversification of these exports are limited because it will be extremely difficult for the Mexicans to work the most promising deposits of off-shore oil without U.S. equipment.

American private capital is also flowing quickly into Mexico. Total U.S. private investments in this country also almost doubled between 1977 and 1980, reaching 3 billion dollars. The U.S. financial expansion is "dollarizing" the Mexican currency system, where American money circulates along with the local currency, attaching it to American banks.

Mexico's dependence on imports of U.S. agricultural products is also increasing. Mexico's rapid population growth, measured at around 2 percent a year, and the poor harvests of 1979-1980, which resulted in a 9-percent decrease in agricultural output, motivated the Portillo government to buy more American grain, meat and sugar. Although Mexico exports considerable quantities of tomatoes, coffee and fruit to the United States, its dependence on imported American foodstuffs is still growing.

There is no question that the Mexican leadership is aware of the danger posed to this country by U.S. trade and economic expansion. This is why the Portillo government is striving to reduce its economic dependence on the United States. The first step was to send more oil to other countries. Despite the quantitative growth of U.S. purchases, the U.S. share of Mexican oil exports dropped from 85 percent in 1977 to 70 percent in 1980. The second step was more active economic contacts with the EEC countries and Japan, which launched an attack on American positions in the Mexican economy. For example, the American Joy Manufacturing firm lost 20 percent of the market in 1979 and 1980. Japan and the FRG began to crowd their American competitors in such areas as sales of equipment for the production of electric power and large-diameter pipe.

On the whole, the struggle between Western firms for the Mexican market has just begun. The United States has certain advantages in this struggle, such as geographic proximity, the convenient correlation between the dollar and the peso and American businessmen's knowledge of the Mexican market.

Nonetheless, Mexico's apparent desire to diversify its economic contacts and to use this as a means of reducing its dependence on the United States is worrying Washington more and more. Washington is particularly displeased with the expansion of Mexican economic and trade contacts with the socialist countries. Between 1977 and 1980 the total volume of trade between this country and the CEMA states rose from 100 million dollars to 180 million. Mexico is now negotiating the expanded sale of Mexican oil to European socialist countries with the GDR, CSSR and Poland. Although the scales of Mexico's economic contacts with CEMA are still modest, the fact that this country is an associate member of CEMA and is striving for broader trade and cooperation with CEMA has been interpreted by the American leadership as a dangerous political maneuver that could give the Portillo government a "trump card" to counteract U.S. pressure.

The complex developments in U.S.-Mexican relations are largely also a result of the existence of significant political conflicts between the neighbors. Their resolution will decide both the oil problem and the prospective economic ties between the United States and Mexico. During Reagan's visit, problems in bilateral relations and questions connected with the world situation were discussed little, not only because the new President had not been inaugurated as yet, but also because the heads of the two states apparently did not want to start building their relationship with debatable issues and disagreements. Nonetheless, in the political sphere, as the CHRISTIAN SCIENCE MONITOR remarked, "the distance between Mexican and U.S. positions is much wider than the Rio Grande that separates the two countries."

The Reagan Administration will immediately have to deal, however, with the problem of anti-American feeling in Mexico. The past relations between the two neighbors, the frequent instances of U.S. intervention against Mexico, the annexation of part of its territory and Washington's constant interference in Mexican internal affairs, along with the American economic and political pressure daily exerted on the neighbor, gave rise to strong anti-American feelings and heightened nationalist feelings, not only among the popular masses but in Mexican ruling circles as well. At the same time, U.S. economic, scientific and technical achievements and the increasing influence of the American mass media are arousing Mexico's desire to gain access to these achievements and derive the maximum benefit from its relations with the United States, but without giving up any of its own interests. This has

created a strange atmosphere in American-Mexican relations, distinguished by antagonism on one side and centripetal tendencies on the other.

For the United States, the major problem in its relations with Mexico today is the problem of Mexico's political stability (naturally, in the American sense of the term). After the large oil deposits were discovered, "for security and economic reasons, the United States began to take a tremendous interest in Mexico's stability and its future development," American expert on Mexico R. Fagen noted in FOREIGN AFFAIRS magazine. Although American ruling circles are satisfied in principle with the general political situation in Mexico, which the United States regards as the most stable in Latin America, these circles are particularly disturbed by two tendencies in the political development of their southern neighbor.

Above all, Washington is worried about the possibility that Mexican politics will shift "further to the left." As we know, for the purpose of combating corruption and bureaucratic excesses, the ruling Institutional Revolutionary Party (IRP) took such measures as the liberalization of social life, the legalization of the Communist Party and the broader representation of opposition forces in the Congress. These steps were supposed to provide a constitutional outlet for leftist dissatisfaction and simultaneously stimulate more dynamic activity by the IRP, which still held the dominant position in politics. What is more, these changes did not only take place on orders from above, but were also symptomatic of changes in the balance of political power in Mexico. For the first time in many years, an influential group took shape in Congress to criticize the government's failure to pay sufficient attention to the interests of underprivileged strata and its limited social programs. Although most American experts do not view the possibility of a leftward shift and increasing instability in Mexico as an immediate prospect, they do believe that leftist and radical currents are gaining strength in Mexico--particularly now that the working people expect tangible improvements in their way of life as a result of increased oil production and the more equitable redistribution of income.

Washington is also disturbed by the unresolved "bracero" issue. As noted above, the problem of mass unemployment in Mexico and the resulting broad-scale emigration of Mexicans to the United States in search of work are having a considerable effect on U.S.-Mexican relations. The transfer of some unemployed persons to the United States and the currency they send back to Mexico are relieving the state of employment in Mexico somewhat, but the continuous emigration of Mexicans at the rate of around 1 million a year is a serious problem for the United States. A sizeable Latin American substratum has already taken shape in the Southern States, representing fairly "combustible material" which could burst into flames if serious class and racial conflicts should break out in the American South.

This Mexican immigration arouses the displeasure of American labor unions and the part of the population in the Southern States that is suffering the effects of unemployment. But agricultural firms and the segment of the business community that have an interest in cheap labor and, what is even more important, in unorganized labor with no rights, are not objecting to the influx of Mexicans. The Carter Administration's attempts to restrict immigration by means of the unilateral measures of closing the border and finding and deporting the braceros have aggravated relations with Mexico, as the Mexican leadership believes that this problem should be resolved by means of negotiation and consultation.

Ronald Reagan, who is not closely connected with American labor unions, takes a more tolerant view of the Mexican immigration problem. During his campaign, he tried to win the support of Spanish-speaking Americans by stating that his administration would not deport immigrants. A joint American-Mexican commission has been set up to control immigration and set a Mexican quota. The present negotiations, however, are still far from their conclusion and there is no question that conflicts will flare up in this area and will complicate American-Mexican relations.

Mexico's political relations with the United States have been considerably complicated by their different approaches to important international issues. In the foreign policy sphere, the Portillo government has held to, and even intensified, the progressive nationalist line established by President L. Echeverria. As known oil deposits have increased and the state of the Mexican economy has improved, Mexico has begun to conduct a more active foreign policy to heighten its role in international affairs. This has been reflected in the expansion of contacts with many countries. President Portillo's visits to the USSR, China, Japan, Spain and Nicaragua and the conclusion of several important political and economic agreements testifies to Mexico's desire to not only diversify its foreign political ties but also to play a prominent role in the movement for non-alignment, and in the United Nations, where it is now represented in the Security Council. Whereas the United States has disapproved of these Mexican actions but has more or less tolerated them, other aspects of Mexican foreign policy, such as the consistent support of detente and cooperation with CEMA, the refusal to support sanctions against Iran, the criticism of U.S. assistance of the Salvadoran junta and the solidarity with the revolutionary liberation movements in Central America, are irritating and alarming Washington.

Washington is particularly displeased with the stronger ties between Mexico and Cuba, President Portillo's visit to Havana in fall 1980 and the joint resolution adopted by the two countries, which is largely of an anti-American nature.

It is true that some members of U.S. ruling circles have expressed the hope that the increasing interdependence of Mexico and the United States and Mexican industry's need for imported equipment and technology will make Mexican foreign policy "inclined to compromise and conciliation," and that "if Reagan sticks to action instead of rhetoric, it is quite probable that Mexico will return to its traditional neutral position in Latin American affairs," the INTERNATIONAL HERALD TRIBUNE speculated on 6 January 1981.

There is no question, however, that the discovery of huge oil deposits, the growth of oil production and the consolidation of Mexican economic positions will aid in strengthening Mexican sovereignty and its independent policy. The new American administration will have to take this into account if it seriously intends to improve relations with its southern neighbor.

8588

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COLLAPSE OF THE PROGRAM OF ARMS SALES 'RESTRAINT'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 66-70

[Article by A. I. Utkin]

[Text] The report of the American Senate's Foreign Relations Committee, published at the end of 1980, on U.S. policy in the area of American weapon sales cites some of the results of the "program of restraint" in arms exports, declared by President Carter in May 1977. The committee concludes: "This ambitious program was announced with excessive pomp, it did not prevent some highly questionable deals and had little influence on American arms exports." In short, the American legislators admitted its complete failure.

What happened to the "Carter program"? For a more complete picture, we must examine American weapon exports as a whole, as exports to Africa and Latin America, for example, were slightly smaller in fiscal year 1980 than in the preceding year. Washington publicized this fact in the most flattering light possible, but when we assess the actual significance of this fact we must remember that these regions absorb less than 2 percent of all U.S. arms exports to the developing countries. At the same time, sales of U.S. weapons in the Middle East increased by 141 percent in fiscal year 1980, according to the data of the Center for International Policy, and exports to countries in the Far East and Southeast Asia also grew.

An analysis of American government activity to keep the promise to annually reduce arms shipments by 7.5 percent suggests that the Carter Administration resorted to a number of purely bureaucratic ruses. In the first place, transactions began to be recorded not on the date of their official approval, as in the past, but on the date the contract is signed, which sometimes takes place long after the agreement has been concluded.

In the second place, when the administration lowered the military shipment ceiling, it increased commercial shipments. In fiscal year 1978, when the ceiling was first instituted, the 7.5-percent reduction was accomplished by reducing the main federal program of overseas military sales. That same year, however, the cost of commercial export licenses increased by 497 million dollars. There was also a constant increase in commercial shipments to certain groups of countries which now account for up to one-third of all U.S. shipments.

In the third place, military construction costs, such as those involved in the establishment of naval bases and airfields, ceased to be taken into account in the

United States, but it was precisely these expenditures that rose dramatically in 1977-1978, reaching 3 billion dollars.

In the fourth place, American administrative agencies began to calculate only the immediate cost of the sold items (tanks, airplanes and so forth) to determine the "ceiling," while the cost of shipping these items to clients and the 3-percent tax for the maintenance of the U.S. overseas military sales establishment--around a billion dollars--were excluded from these calculations.

Transactions with a cost of under 25 million dollars did not enter into the total overseas military sales calculations either. But after all, 25 million dollars will buy, for example, three huge C-130 tanker planes. In addition to making other purchases, the importing countries could buy four C-130 planes within just a few months (for instance, two planes in the spring and two in the fall) and these purchases would not be covered by the notorious "ceiling." There are also other ways of escaping inclusion in the "ceiling." For example, the cost of the F-15 planes sold to Saudi Arabia was reduced from the original figure of 2.5 billion dollars to 1.5 billion. A congressional investigation established that certain absolutely necessary expenditures (spare parts, maintenance systems, pilot training and the construction of runways) were not included. At the same time, it was precisely these expenditures that rose dramatically for the largest importers, such as Saudi Arabia.

The observance of the "quota" policy gave rise to new, initially unexpected problems.

When the United States' clients had to deal with a policy of limited total sales, they began to place early orders for shipments that might have required additional discussion or might have been postponed altogether under different circumstances. In the fear that they might not acquire American military goods in the future, they had to order maximum quantities in the current year, while circumstances were still favorable. In this way, the "ceiling" began to look like the minimum to importers of U.S. weapons. The United States had to take a selective approach and classify clients according to degrees of priority. In turn, the clients whose requests were denied grew bitter and actively searched for an alternative; in other words, they turned to the Americans' competitors. The existence of quotas also increased domestic competition between rival firms and intensified the activity of their lobbyists in Washington, who expressed the anger of the "victims." All of this began to pose the threat of a turnabout in government policy, creating the possibility of a rush in the opposite direction--in the direction of the unrestricted acceptance of orders and the uncontrolled export of military items.

In addition to restricting exports, the U.S. Government also promised to refrain from introducing new weapon systems in certain regions. It called upon England and France to do this as well. Within a month after the "Carter program" was made public, however, the United States sold the shah's regime in Iran the ultra-modern AWACS system, after which agreements were concluded with Israel and Saudi Arabia on the sale of the latest F-15 and F-16 planes. France, which had counted on selling its modern jet aircraft, jealously objected to the restrictions proposed by America. The English viewed the matter from a practical standpoint. They sold Jaguar planes to India although they were quite aware that this would speed up the sale of U.S. jet fighters to Pakistan; the "ordeal" turned out to be taxing for England's ailing industry.

In 1977 Washington officially appealed for a ban on the development of weapons purely for export--that is, for a ban on the sale of weapons not used in the U.S. army. It was assumed that special mechanisms would be set up within government agencies--both executive and legislative--to carefully study all weapon sales offers.

In spite of this appeal, in 1980 the American Government decided to develop an improved FX plane especially for military export purposes. This should give Washington an opportunity to put a plane on the market by 1985 whose characteristics and price will rank somewhere between those of the Northrop firm's F-5 plane (which was also developed exclusively for export in 1964) and General Dynamics' modern F-16 fighter.

The ban on the "transmission" of weapons by clients to third countries has not been observed either. The United States did not penalize Israel in any way when it passed several American Huey helicopters over to Rhodesia in 1977. The "Carter program" also envisaged a ban on the joint production of "critically important" types of weapons and equipment with other countries, but the United States immediately began work with Israel on the construction of military hydrofoil launches.

Therefore, the announced "restraint" was undermined by the Americans' own actions, which contradicted all of the points in the "Carter program." On 20 January 1981 Carter left the White House without keeping a single one of his promises and without stopping the headlong race of the U.S. military export machine.

But the reasons for the failure of the restraint program call for additional discussion. The Carter Administration experts who assessed the practice of overseas weapon sales in 1977-1980 believed that the fatal "flaw" of the entire policy of restraint was the refusal of jurisdiction over commercial sales. The administration did not even try to organize stricter control over these sales. All of the arguments put forth by the opponents of commercial sales regulation boil down to the implication that the inclusion of these sales in the government program of overseas arms shipments would not guarantee more effective control over the present licensing process and would not change its character, and that the institution of this kind of control over all shipments would necessitate the creation of additional accounting and planning systems within the Department of Defense, particularly when these shipments would include types of weapons not present in U.S. military arsenals. Besides this, they insisted that the system of overseas arms shipments was created for intergovernmental transactions, and its extension to all commercial agreements on arms sales would intrude in private business affairs (the new President's economic advisers are even more zealous in their objections to this kind of intrusion).

Washington lobbies, which are making every effort to preserve the sector of private military export transactions (sales by U.S. firms to foreign firms or to foreign governments), argue that the production of "paramilitary items" and the offer of "paramilitary" U.S. aid will be difficult if the private firms responsible for these "paramilitary" sales are excluded from the military export business. In their opinion, the comprehensive program of overseas military sales cannot cover the entire spectrum of military items; furthermore, agreements with private firms are much more convenient for some importers of U.S. military equipment.

There is no question that the military business in the United States, particularly the segment that does not always receive orders from the Pentagon, will not give up its right to sell weapons on the non-governmental level without a fight. It is these military monopolies that object to the institution of state control over commercial sales and to the institution of even extremely modest restrictions. The political pressure exerted by American firms involved in transactions with foreign governments or foreign companies undermined the restrictive aspect of Washington's arms trade policy at the end of the 1970's and the beginning of the 1980's.

On the whole, however, the military monopolies, their advocates in the administration, their mouthpieces in the press and their lobbyists and proteges on Capitol Hill tried to remove the restrictive elements from the already largely ineffective "Carter program." This was the deciding factor, although the administration had actually already sacrificed the restrictive aspects of its military export policy for the sake of political goals—the domination of the market by NATO and the expansion of the sphere of its clients.

The November 1979 issue of HARPERS magazine contained an extremely clear-cut assessment of the forces which caused the "collapse" of the pompously advertised restrictive program in the area of military sales: "The boom in weapon sales is created in government and in industry by interested parties who are capable of working together to block any kind of reduction of military exports. They can mobilize the support of congressmen representing districts with large military-industrial enterprises and of officials in the economic sphere who are worried about the constant deterioration of the U.S. balance of trade."

The main feature of U.S. government policy on weapons is its concession to the military-industrial complex' carefully concealed but growing interest in export sales. Covert and overt pressure by military monopolies and the considerations of any policy (but one of restraint) gained the upper hand in the arms trade. In the beginning of 1979, for example, at the time when the promise of "restraint" was supposed to be reinforced by real action, the Pentagon informed Congress of its plans to sell various weapons to eight countries (England, Spain, Saudi Arabia, Jordan, Kuwait, Thailand, Malaysia and others) for a total sum of 322.6 million dollars. Half of this sum would be accounted for by shipments to Saudi Arabia (156.1 million dollars), which became the major buyer of American weapons and ammunition after the revolution in Iran. The United States sold this country 100 Harpoon missiles for the navy, M-60 tank bodies and Vulcan anti-aircraft guns. Thailand ordered C-130 transport planes, Jordan ordered armored personnel carriers and self-propelled Howitzers, Malaysia ordered F-5E fighter planes, Kuwait ordered antitank missiles, Spain ordered air-to-air missiles, England ordered ammunition, and so forth.

President Carter's decision in March (1979) to sell Northern Yemen 390 million dollars' worth of weapons, some of which were the most updated models, was a scandalous violation of the promise "not to sell new types of weapons to countries which do not possess them now." When he did this, he first made use of a proviso in the arms export control act of 1976—a special provision which allows the President to bypass congressional approval of arms sales if "extraordinary circumstances exist which demand this sale in the interest of U.S. security." Even the American press, particularly the 9 April 1979 issue of the NEW YORK TIMES, expressed

doubts about the existence of such circumstances in that case: "Is it really true that the conflict between South Yemen and Yemen (Northern) poses, as Carter's decision implies, a serious threat to U.S. security.... The facts do not bear out the administration's allegation that the United States is faced by such an extraordinary threat to its security that it has no other choice but to sanction the President's unilateral action.... It is obvious that the extraordinary circumstances were pure fiction."

In spring 1980 the restrictive Carter policy apparently entered the period of its death throes. Speaking to the Senate Foreign Relations Committee, the secretary of state announced that "in view of the fact that there has been no agreement on restrictions (with the allies--A. U.), the United States has no intention of lowering the level of weapon sales in the future."

Therefore, the "Carter program" was a complete failure in its main aspects. The irrepressible greed of the U.S. military-industrial complex and the federal government's reluctance to "leave" strategically important regions, as well as Western Europe's firm intention to gain a strong position in world armament markets, were the main reasons for this failure. According to official statistics, in 1979 the United States sold 13.49 billion dollars' worth of weapons, which was an increase of more than 2 billion dollars in the 2 years of Carter's "restraint" program.

Two years after the President announced his program, the CHRISTIAN SCIENCE MONITOR reported: "According to a new independent analytical survey distributed here on 19 May, on the anniversary of President Carter's 1977 promise to reduce the sale of weapons abroad by instituting six concrete control measures, his policy has failed. After Carter's promise, sales of U.S. weapons increased in virtually all parts of the world." When the NEW YORK TIMES commented on the failure of Washington's restrictive measures, it noted the stable growth of exports: "When President Carter took office, the boom in the arms trade was still indefinite. Now it has been legalized, cemented and bronzed.... The Europeans are secretly laughing at American hypocrisy. Some American officials even believe that it will soon be time to officially announce the demise of the arms sales restriction policy and put an end to the phony sermons in defense of peace that accompany the conclusion of weapon sales agreements."

This "demise" has essentially been announced by the abovementioned Senate committee report, which testifies that U.S. military corporations have "thwarted" the attempt to restrict the irrepressible expansion of arms exports.

8588

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TWO CONFERENCES OF STUDENTS OF AMERICAN LITERATURE

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 71-72

[Report by O. A. Alyakrinskiy of a science conference on American literature, held 16-18 October 1980 in the journalism school of Moscow State University, and a conference of scholars of American literature, held 25 December 1980 in the Institute of World Literature imeni A. M. Gor'kiy]

[Not translated by JPRS]

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THE DIALOGUE MUST CONTINUE

Moscow SSIA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 73-74

[Interview by V. A. Voyna with Gregory Fass, chairman of the Forum for American-Soviet Dialogue and head of the American delegation at the Ninth Conference of Soviet and American Youth in Tallin in January 1981]

[Not translated by JPRS]

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THE ARMS LIMITATION DEBATES

Moscow SSNA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 75-79

[Article by V. S. Guseva]

[Text] These debates--in regard to the essence of the process of arms limitation, including the limitation of strategic weapons, in regard to its importance to the United States and to the U.S. national interest and in regard to its prospects--have been going on for a long time in American scientific and political circles, almost as long as the U.S.-Soviet talks on these matters. Recently the FOREIGN AFFAIRS quarterly printed an article by Barry Blechman, senior research associate at the Carnegie Endowment "for International Peace" and Associate Director of the U.S. Arms Control and Disarmament Agency in 1977-1979. It was entitled "Do Negotiated Arms Limitations Have a Future"¹ and contained a general overview of U.S. feelings about this process in recent years. Another interesting feature of the article is the author's quite precise description of the political coalition which made every effort to first thwart the conclusion of the SALT II treaty and then, after it had been signed in Vienna in June 1979, to prevent its approval by the Senate.

Blechman names the two basic elements of this coalition: the ideological opponents of the Soviet order, who refuse to reconcile themselves to its very existence, and those who regard nuclear weapons as the main trump card in American foreign policy, both in relations with the USSR and in world affairs in general, and therefore object strongly to even the slightest limitation of these weapons. "They will not be satisfied with any kind of changes in the text of the SALT II treaty," he writes. "They want to put an end to the very process of arms limitation." The persons who oppose SALT on these grounds, the author stresses, "will never support any arms control initiatives."

In reference to the U.S. interpretation of the concept of "arms control," Blechman remarks that most American experts approach the matter from a purely "technical standpoint" in the belief that policy must be isolated from the issue of weapons. But "this is only theoretical," he writes. In fact, the United States "closely connects any steps toward arms control with broader political issues." He then exclaims: "There are thousands of examples of this! In 1968 the events in Czechoslovakia postponed the beginning of the strategic arms limitation talks, in 1976 the already concluded Vladivostok agreements were rejected over Angola, and in the beginning of 1978 the conclusion of the SALT II treaty was held up by the war

in the Horn of Africa" (which broke out, as we know, as a result of Washington-supported Somali aggression against Ethiopia--V. G.).

Therefore, contrary to the theory of "arms control," Washington is actually adhering to the "linking" concept, which, as Blechman admits, means that "each step toward arms limitation must lead to other steps in other areas of Soviet-American relations." The conclusion drawn from this is that the continuation of SALT will be worthwhile only if it leads to broader agreements (the phrase "broader agreements" implies concessions by the USSR, promises not to give national liberation movements assistance, consent to the division of "spheres of influence" and so forth--V. G.). Since there have been no signs of such "broad agreements," experts on arms control and Soviet-American relations have begun to assert that the "negotiation process is not producing the anticipated results and has obviously hit a snag."

It is indicative that the "transition team" which took over the work of the previous administration in the Arms Control and Disarmament Agency, as the WASHINGTON POST reported, recommended that the new President also adhere to the concept of "linking" arms control talks with other aspects of Soviet-American relations.² Judging by all indications, the new President has taken this advice. The very idea of "linking" the arms limitation process with the entire complex of relations with the USSR and other international issues first arose, as Blechman notes, in the conservative Republican camp--that is, precisely among those who were later to serve as Ronald Reagan's closest domestic and foreign policy advisers. They united their efforts and gained influential supporters, he writes, and the Ford and Carter administrations eventually had to take them into account.

The advocates of this "linking tactic" have attacked the SALT II treaty on the pretext that it "symbolizes U.S. consent to accept the USSR," Blechman writes, whereas they are firmly convinced that "the United States must try to change the Soviet order for the sake of its own security interests." But the "opponents of arms limitation," the author continues, "believe that it is not in their interest to overemphasize this aspect of the matter," because "in the long run, open rivalry with the USSR, with the risk of confrontation and nuclear war, will not win broad political support." "They prefer to discuss the technical details of the SALT II treaty, saying that they favor arms control in general but that a better agreement must be drafted." Blechman goes on: "The fact that the discussion of the SALT II treaty in Congress concentrated on technical aspects instead of such matters as the importance of SALT in Soviet-American relations testifies to the political cunning of this treaty's opponents."

Discussion of the reasons for the failure of the American "arms control" policy, which was primarily reflected in the disruption of the SALT II treaty ratification process, occupies a prominent place in the debates in question.

Blechman feels that one of the reasons is that the positive significance of the treaty, namely the fact that it "imposes many important restrictions on the armed forces of both sides and thereby considerably reduces the risk of nuclear war," which was clear to experts, was not brought to the attention of many politicians, not to mention the general public, by the news media. This helped to create an atmosphere of disillusionment and discontent with the fact that after many years of negotiation, "the treaty will lead only to negligible reductions in Soviet

nuclear forces" and will "call for even more intensive strategic programs and larger expenditures on strategic forces" by the Americans. These attitudes, the author writes, "prevented the organization of a strong political coalition to support the treaty. And since there was no display of mass support, the senators were not too eager to voice wholehearted support for the treaty."

Various opinions have recently been voiced in the arms limitation debates in regard to the prospects of the SALT process and arms control in general, and ways of saving the process or keeping it alive have been proposed. Some authors, such as NEW YORK TIMES correspondent on matters of national security R. Burt, author of the article entitled "A Glass Half Empty,"³ expressed pessimistic views and see neither a reason to continue these talks nor any realistic way of doing this. Others maintain that the situation is not completely hopeless and, although they are not too optimistic, at least they have not given up. One example of this attitude can be seen in the article entitled "A Glass Half Full," by L. Gelb, former head of the military policy division of the State Department.⁴

"More than anything else, the process of arms control requires that the belief in its feasibility be restored," Gelb writes. He states the view that the talks on this matter should result in an "asymmetrical balance, rather than formal equality in numbers and rights. The final goal should be an overall security balance." Viewing the arms control process as a "realistic way of maintaining stability and avoiding destabilizing surprises," Gelb lays emphasis on the general state of Soviet-American relations. "When arms control measures do not keep in step with foreign policy, it is not only arms control that suffers, but also foreign policy itself." Considering the present state of Soviet-American relations, Gelb advocates "small steps," offering his own list of such measures in almost all areas--in the limitation of strategic weapons, in the talks in Vienna and in the resumption of arms sales limitation talks. According to Gelb, progress in these "small steps" could be made in the near future, and this progress is needed, he says, to "give courage to all of the moderate politicians" who support the arms limitation process in principle.

Blechman, whose article was written a year after Gelb's, also believes that the time has come to form a coalition of persons who favored arms control from the very beginning. Echoing Gelb, he advises the U.S. political leadership to "set modest goals and thereby win the support of the particular elements in government, the business and scientific communities and labor unions who are disturbed by the race for nuclear arms." Blechman feels that a broader coalition, made up of the supporters of arms limitation to the point of disarmament, including those who favor disarmament because of religious convictions, moral principles and the "typical American dislike of military force," can only be created on the condition of more sizeable, "dramatic," as he writes, achievements in the talks. But this, in his opinion, is improbable under the conditions of the present state of U.S.-Soviet relations. He proposes his list of "modest objectives," noting that his agenda might seem "too modest, or even much too modest" to some, but "after 20 years of grand declarations," he writes, what is needed is "tangible results."

In his article, Blechman also touches upon another extremely important matter which has recently given rise to heated arguments between American specialists--the essence of the "arms control" process. He believes that the American approach to

the matter is "contradictory." "Even the very name of the agency responsible for planning and conducting these talks--the Arms Control and Disarmament Agency, which was born in 1961 after lengthy arguments--reflects a typical compromise: Both sides seemed to get what they wanted, but in reality neither side can make use of this," he writes.

It is true that "arms control" and "disarmament" are not mere terms. They stand for two different approaches to the problem of arms limitation and lead to different policy decisions. "Although for some time the concealment of their differences helped to keep the question of arms limitation on the U.S. political agenda, it eventually contributed to the failure of the attempts to impose limitations on weapons.... Political leaders found that the 'arms control' formula was a convenient medium for the manipulation of public demands," concludes the author.

But the author himself is also guilty of the contradictory thinking to which he refers. For example, although he favors the continuation of talks and the creation of a political coalition in support of the arms limitation process, he also believes that "regardless of what might occur at the arms talks (note that he suddenly uses the term 'arms talks' instead of 'arms limitation talks'--V. G.), in the near future the United States will have to take decisive and costly steps to rebuild its armed forces enough to counterbalance the growth of Soviet military strength." The "containment of Soviet armed forces" is one of his main arguments in favor of continued negotiation. Here his views do not diverge much from the views of such opponents of any and all talks on these matters as, for example, P. Nitze, whose article in the same issue of FOREIGN AFFAIRS is full of appeals for the Western countries to rally round the United States for a struggle against the notorious "Soviet threat."⁵

The present course of the arms limitation debates in the United States shows that after many years of efforts with the aid of the vague and confused concept of "arms control," which was not only intended to appease both "hawks" and "doves" but was also inconsistent with the theoretical postulates of the issue, the United States is again facing the problem of working out an approach to the arms limitation issue. This vitally important matter must not be manipulated any longer. A choice must be made, either in favor of the curtailment of the arms race and the reduction of stockpiles or in favor of "arms control," which actually signifies only the regulation of weapons, and not their limitation.

FOOTNOTES

1. B. Blechman, "Do Negotiated Arms Limitations Have a Future?" FOREIGN AFFAIRS, Fall 1980, pp 102-105.
2. THE WASHINGTON POST, 30 December 1980.
3. R. Burt, "A Glass Half Empty," FOREIGN POLICY, No 36, Fall 1979, pp 33-48.
4. L. Gelb, "A Glass Half Full," *ibid.*, pp 21-32.
5. P. Nitze, "Strategy in the Decade of the 1980's," FOREIGN AFFAIRS, Fall 1980, pp 82-101.

ENERGY FROM BIOMASS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 79-90

[Article by I. G. Vasil'yeva and G. M. Pontryagin]

[Not translated by JPRS]

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CANADA: SOME PROBLEMS OF GRAIN PRODUCTION AND EXPORTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 91-101

[Article by Ye. A. Shevlyagina]

[Not translated by JPRS]

CSO: 1803/8

BOOK REVIEWS

Political History of Nuclear Energy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 102-103

[Review by V. F. Davydov of the book "Le Complexe Atomique. Histoire Politique de l'Energie Nucleaire" by Bertrand Goldschmidt, Paris, Fayard, 1980, 493 pages]

[Not translated by JPRS]

Comprehensive Study of U.S. Government

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 103-105

[Review by Yu. A. Shvedkov of the book "To Govern America" by Roger Hillsman, New York, Harper and Row, Publishers, 1979, 594 pages]

[Not translated by JPRS]

Peace and Disarmament Research

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 105-106

[Review by M. A. Mil'shteyn of the book "Mir i razoruzheniye. Nauchnyye issledovaniya. 1980" edited by N. N. Inozemtsev, Moscow, Nauka, 1980, 351 pages]

[Text] A special study has been published in five languages (Russian, English, French, German and Spanish). It is a comprehensive, in-depth analysis of major problems connected with international detente, the limitation and reduction of weapons and the reinforcement and expansion of international cooperation. It is a collective study of the most pressing and urgent issues by leading Soviet academics--experts in various fields of knowledge.

The book consists of two sections. The first contains analytical articles on major issues of the day. Here are some of the titles of these articles: "International Cooperation by Medical Experts in the Interest of Peace" (by Academician N. N. Blokhin), "The Scientific and Technical Aspects of Some Political Decisions"

(by Academician Ye. K. Fedorov), "Scientific and Technical Progress and the Problem of Keeping the Peace" (by Academician D. M. Gvishiani), "American Foreign Policy on the Threshold of the 1980's" (by Academician G. A. Arbatov), "The Arms Race and Regional Conflicts" (by Academician Ye. M. Primakov) and others. We have listed the titles of some of the articles in the section expressly to indicate the broad range and urgent nature of the topics discussed in the work.

The second section, called "Materials and Documents," could be called a reference section. Here the reader will find a review of the activities of scientific institutions of the USSR Academy of Sciences in the area of peace and disarmament research, an annotated bibliography of works on aspects of peace and disarmament, a chronicle of major international events, a chronicle of science meetings and conferences and the text of major peace and disarmament documents signed in recent years.

In an introductory article, Academician N. N. Inozentsev stresses that this work is the first volume of a special series of fundamental publications with the overall title "Peace and Disarmament Research." The series has been planned as a kind of forum of ideas, opinions, appraisals and proposals in regard to major issues of the present day and predictions for the future.

The first volume of the series was published at the beginning of the 1980's, at a time when the international situation had been seriously complicated through the fault of NATO and U.S. ruling circles. For this reason, it would be difficult to overestimate the significance of this work, in which the causes of the policy reversals of the United States and other Western powers are analyzed on a high scientific and professional level, effective measures in the area of arms race limitation and the improvement of the international climate are proposed and substantiated, the importance of international cooperation by academics is discussed and the role of the public in strengthening peace is explained. There is no question that this work will justifiably arouse great interest in the broadest segments of the reading public.

Security in the Nuclear Age and U.S. Policy

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 106-107

[Review by R. G. Bogdanov and A. A. Kokoshin of the book "Bezopasnost' v yadernyy vek i politika Vashingtona" by A. Arbatov, Moscow, Politizdat, 1980, 288 pages]

[Text] This work by Aleksey Arbatov is a comprehensive historical study covering American imperialism's military policy over a period of 20 years. It contains a thorough analysis of facts about the development of American military equipment, Defense Department and congressional documents on strategic planning and armed forces construction and available data on National Security Council plans and directives.

The author begins his analysis with the events of the 1960's, focusing on the strategy and programs of nuclear construction between 1961 and 1967 and the views expressed by President J. Kennedy, Secretary of Defense R. McNamara and other officials on the "nuclear balance" and U.S. security. A separate chapter deals

with Richard Nixon's Republican administration. This chapter is organically connected with the section on Soviet-American strategic arms limitation talks and agreements: the compilation and conclusion of the open-ended treaty on the limitation of missile defense systems and the provisional agreement on some measures for the limitation of strategic offensive weapons. The author's thoughts about the treaty's broad military and political importance to the United States appear significant.

The author goes on to analyze various hidden currents in American politics in the 1970's and the covert maneuvers, followed by increasingly overt attempts, by U.S. militaristic forces to undermine the process of strategic arms limitation and international detente as a whole. He justifiably pays serious attention to the debates over the new generation of U.S. strategic weapons: the Trident nuclear submarine system (which was called ULMS in the early stages of its development), the heavy B-1 bomber, the strategic cruise missiles for the U.S. Air Force and Navy and the program to augment the "counterstrike" properties of the ABRES ballistic missiles. Citing many important details, he cogently demonstrates how these arguments, which were sometimes quite heated, were usually won by advocates of a new massive U.S. effort in the area of strategic weapons, which they hoped would cancel out everything that had been accomplished in the limitation of these weapons and would prepare the soil for a "return to strategic superiority" for the United States.

Arbatov conclusively reveals the groundlessness of ideas about the possibility of limiting nuclear war by means of selective nuclear strikes, which supposedly will not cause great civilian losses. He correctly writes that "selective" nuclear strikes would be certain to escalate the intercontinental exchange of missiles and would push civilization to the verge of catastrophe. There is also the considerable danger that this kind of "flexibility" in military plans could influence the mentality of the U.S. political leadership, making nuclear war "more acceptable" and, consequently, more probable.

The timely nature of Arbatov's conclusions on this matter is quite clearly revealed by the subsequent development of the prevailing ideas in U.S. strategic planning and armed forces construction, as set forth in reports by Defense Secretary D. Rumsfeld and H. Brown, in Presidential Directive 59 and in statements by a number of the advisers of President Ronald Reagan, elected in 1980.

Theories of this kind and concrete measures to increase stocks of nuclear ammunition, equipped with strategic delivery vehicles, to heighten targeting accuracy and so forth represent an instrument of great importance to American militaristic circles—an instrument for the disruption of the present Soviet-American parity in this sphere. To camouflage their intentions, some American politicians, professional soldiers and political scientists are spreading exaggerated rumors about the "Soviet military threat" and about the alleged Soviet desire to acquire the capability to inflict the first disarming strike.

"The Soviet Union unequivocally states that it has been and is opposed to theories of this kind. Its strategic doctrine is of a purely defensive nature and its armed forces serve the goals of stability in this respect as well and are meant to be used for the deterrence of a potential aggressor," the author stresses, exposing the false theses of U.S. militaristic propaganda (p 272).

Europe Must Choose Between Confrontation and Detente

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 107-108

[Review by A. A. Arzumanov of the book "Yevropa pered vyborom. Konfrontatsiya ili oslableniye voyennoy napryazhennosti" by N. S. Kishilov, Yu. A. Kostkov and B. M. Khalosha, Moscow, Nauka, 1980, 56 pages]

[Text] The Scientific Council for Peace and Disarmament Research, founded in the Soviet Union in 1979, has issued its first publication, "Yevropa pered vyborom. Konfrontatsiya ili oslableniye voyennoy napryazhennosti" [Europe Must Choose Between Confrontation and the Alleviation of Military Tension], in Russian, English and Spanish editions. It is the first volume in a series of scientific works which will elucidate the most urgent problems in the struggle for lasting peace, international detente and the curtailment of the arms race.

The council was founded at the initiative of the USSR Academy of Sciences, the State Committee of the USSR for Science and Technology and the Soviet Committee for the Defense of Peace. Its members are prominent Soviet academics, working in the social and natural sciences, and famous public spokesmen, who are active in the peace movement. The scientific council is expected to become the center of scientific and social thought in the Soviet Union in the area of peace and disarmament.

In an introductory article, Academician N. N. Inozemtsev, chairman of the council, says that more active demonstrations by the general public for peace and disarmament are particularly important now. Today it is not enough to simply desire lasting peace; there must be knowledge of specific ways and means of attaining it, and the ability to seek and find real ways of strengthening international security. It is completely obvious, Inozemtsev writes, that this will require various public and scientific associations in all countries to unite their efforts and recognize their responsibility in this matter.

The authors of this work analyze the balance of military power on the European continent and the Warsaw Pact and NATO positions on this matter. They stress that although the United States and the NATO countries have acknowledged, in official documents, the principles of equality and equivalent security, mutuality and non-aggression, they are trying to gain significant military advantages over the countries of the socialist community. This is the motive for all of the efforts of the United States and its allies to build up weapons, particularly nuclear missiles. They are deliberately distorting data on the quantity of NATO and Warsaw Pact armed forces and arms and are trying to prove that there is some kind of imbalance of arms and armed forces in Central Europe in favor of the Warsaw Pact. The authors analyze, in great detail, these obviously false statements by Western, especially American, strategists and cite specific figures to prove that there is a balance of military power and that this balance is real and not simply on paper (pp 18-19). It was precisely this balance that was responsible for the stability and security of the European continent in the 1970's.

The authors examine the proposals put forth by the USSR and other socialist states in regard to the further development of peaceful relations in Europe and the

realistic program of peace and security proposed by these countries, stressing that it presupposes the need for continued and deeper political detente and its supplementation with military detente.

The NATO line of escalating the arms race, the authors point out, was reinforced in 1974 by the heads of NATO states and governments in the "Declaration on Atlantic Relations" adopted in Brussels. This document frankly stated that the "development" of allied armed forces could not be changed "during the course of present and future talks" with the socialist states (p 39).

This militaristic premise was reflected in all subsequent NATO long-range programs, which presuppose the continuation of the arms race right up to 1994. "In the next 15 years," the authors write, "the NATO countries will officially concentrate on the all-round escalation of the arms race, and not on the reduction of confrontation in Europe or the deescalation of this race. The continued implementation of the NATO program," they remark, "will set up new obstacles in the way of real disarmament and the alleviation of military tension in Europe" (p 40).

The timely nature of the materials that the scientific council has begun to publish is indisputable and self-evident. They will contribute to a deeper understanding of contemporary world issues and graphically demonstrate the positions occupied in regard to these issues by the NATO countries and the European states of the socialist community.

American History and Today's Historians

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 108-109

[Review by B. I. Marushkin of the book "SShA: Problemy istorii i sovremennaya istoriografiya" by N. N. Bolkhovitinov, Moscow, Nauka, 1980, 405 pages]

[Not translated by JPRS]

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HENRY WINSTON (A TRIBUTE ON HIS SEVENTIETH BIRTHDAY)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 110-111

[Article by N. V. Mostovets]

[Not translated by JPRS]

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CONSERVATIVE-ORIENTED 'BRAIN TRUSTS'

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 112-116

[Article by I. Ya. Kobrinskaya]

[Not translated by JPRS]

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UNITED STATES CAPITAL EXPORTS TO DEVELOPING COUNTRIES: DIRECT INVESTMENTS

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 117-125

[Article by R. I. Zimenkov]

[Not translated by JPRS]

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CHRONICLE OF SOVIET-AMERICAN RELATIONS (DECEMBER 1980-FEBRUARY 1981)

Moscow SSHA: EKONOMIKA, POLITIKA, IDEOLOGIYA in Russian No 4, Apr 81 pp 126-127

[Not translated by JPRS]

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